

**Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates
Appropriation Highlights**

(\$ in Millions)

	<u>FY 1999 Actual</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2000 Estimate</u>	<u>Price Growth</u>	<u>Program Growth</u>	<u>FY 2001 Estimate</u>
Operation & Maintenance	10,083.7	356.3	287.5	10,727.5	396.8	120.1	11,244.5
Procurement	403.0	16.6	-97.2	322.3	12.9	-45.2	290.0
RDT&E	<u>38.4</u>	<u>0.5</u>	<u>231.3</u>	<u>270.2</u>	<u>4.1</u>	<u>-208.4</u>	<u>65.9</u>
Total, DHP	10,525.1	373.3	421.6	11,320.0	413.9	-133.5	11,600.4

Summary: The medical mission of the Department of Defense (DoD) is: (a) to provide and maintain readiness, medical services, and support to the armed forces during military operations, and (b) to provide medical services and support to members of the armed forces, their family members, and other beneficiaries entitled to DoD health care. The Defense Health Program (DHP) appropriation funding provides for worldwide medical and dental services to active forces and other eligible beneficiaries, veterinary services, medical command headquarters, specialized services for the training of medical personnel, and occupational and industrial health care. Included are costs associated with the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) and the TRICARE Managed Care Support (MCS) contracts which provide for the health care of eligible active duty family members, retired members and their family members, and the eligible surviving family members of deceased active duty and retired members. The DHP funding is divided into seven major areas: In-House Care, Private Sector Care, Information Management, Education and Training, Management Activities, Consolidated Health Support, and Base Operations.

The DHP appropriation also funds procurement of capital equipment in support of the DoD health care program in military medical treatment facilities and other health activities worldwide. It includes equipment for initial outfitting of newly constructed, expanded, or altered health care facilities; equipment for modernization and replacement of worn-out, obsolete, or uneconomically repairable items; equipment in support of the entire TRICARE Managed Health Care Program and medical treatment facilities information processing requirements; and equipment supporting programs such as pollution control, clinical investigation, and occupational/environmental health.

The Research, Development, Test and Evaluation (RDT&E) program of the DHP appropriation reflects the congressionally mandated one-time medical research effort for FY 1999 and FY 2000. It also reflects the

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Department's revised budget policy for realignment of Information Management/Information Technology (IM/IT) developmental resources from Operation and Maintenance and Procurement appropriations to RDT&E as directed by Congress. FY 2001 budget estimate reflects an intra-appropriation realignment for the Defense Health Program.

Narrative Explanation of Changes: The FY 2001 budget includes funds for significant new requirements in the DHP for both FY 2000 and FY 2001. These include in-house pharmacy (\$153.9/\$174.7 million), increased costs in the MCS contracts (\$195.3/\$153.1 million), and a new congressional requirement on custodial care (\$20/\$20 million). To cover the increased requirements in FY 2000, the President's Budget request for FY 2001 includes a FY 2000 reprogramming request of \$256.7 million; \$228.2 million from the Services and \$28.5 million from DHP Procurement to DHP, O&M. There are also significant realignments, deferrals, and suppression of lower priority Defense Health Care programs in FY 2000. The FY 2001 President's Budget adds funding for two new benefits for active duty family members: (1) \$30 million to expand TRICARE Prime Remote to improve access to health care and lower out of pocket costs for active duty family members who do not live near military treatment facilities; and (2) \$50 million to eliminate co-pays for all active duty family members enrolled in TRICARE Prime. Between FY00 and FY01, the Defense Health Program increases by \$516.9 million reflecting a cumulative programmatic increase of \$120.1 million and cumulative price growth of \$396.8 million. The \$120.1 million of net program increase is composed of \$85.1 million for private sector care, \$37.7 million for advances in medical science, \$15.5 million for MTF pharmacy, \$48.8 million in base operations, \$44.7 million for information management and decreases of \$108.1 million for removal of one-time congressional adds and \$3.6 million for other programs.

The Procurement Program declines approximately \$32.3 million between FY 2000 and FY 2001 which reflects price growth of \$12.9 million and a net program decrease of \$-45.2 million. Program growth of \$10.4 million funds initial outfitting requirements associated with approved medical military construction projects. Also, \$5.9 million is included in FY 2001 to restore deferred replacement and modernization equipment from FY 2000. These increases are offset by the Department's revised IM/IT budget policy which realign funds from the Procurement program (\$-61.5 million) to RDT&E for IM/IT requirements designated as developmental.

The Research, Development, Test and Evaluation (RDT&E) program reflects an overall decrease of \$-204.3 million from FY 2000 to FY 2001. This includes price growth of \$4.1 million and net program change of \$-208.4 million. The congressionally mandated program funded in FY 2000 is a one-time requirement which results in a program decrease for FY 2001 of \$-274.3 million. This is offset by the IM/IT realignment to RDT&E of \$65.9 million.

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**Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates
Procurement Program**

BUDGET ITEM JUSTIFICATION SHEET						DATE: Jan 2000	
APPROPRIATION / BUDGET ACTIVITY : 97*0130			P-1 ITEM NOMENCLATURE: Replacement/Modernization				
	FY99	FY00	FY01	FY02	FY03	FY04	FY05
Quantity							
Cost (in \$000)	375,043	308,261	264,968	231,242	229,014	189,786	186,417
<p>REMARKS</p> <p>The FY 99-05 replacement/modernization element of the DHP's procurement budget funds the acquisition of commercially available equipment required to support health care delivery (including dental care), health care training, and other health care activities and programs in 78 hospitals and 514 clinics worldwide. It provides for the procurement and installation of investment equipment to replace worn-out, obsolete, or uneconomically repairable equipment and for the acquisition of new technologies. The funding profile reflects a significant accounting change. Beginning in FY 01, development costs for information systems previously accounted for under the Procurement appropriation have been transferred to the Research, Development, Testing and Evaluation (RDT&E) appropriation. The funding is captured in program element 0605013HP.</p> <p>The most significant investments will be in the radiographic, surgical, and information systems functional areas. The driving factors behind these investments are the rapid technological advancements in these areas and the need for DoD's health care delivery system to maintain the standards of care set by the civilian health care sector. A significant portion of the funding allocated to information systems is for the Composite Health Care System (CHCS).</p> <p>Financing an adequate equipment acquisition budget is critical in retaining the Department's medical workload in-house and controlling escalating purchased healthcare O&M costs in the private sector. The items supported by this budget are the result of an extensive investment equipment justification process and are necessary to provide properly trained medical department personnel and high quality, cost-effective health care services for the eligible beneficiary population.</p>							

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Procurement Program**

BUDGET ITEM JUSTIFICATION SHEET						DATE: Jan 2000	
APPROPRIATION / BUDGET ACTIVITY : 97*0130			P-1 ITEM NOMENCLATURE: New Facility Outfitting				
	FY99	FY00	FY01	FY02	FY03	FY04	FY05
Quantity							
Cost (in \$000)	27,917	13,997	25,038	10,408	4,682	8,138	8,755
<p>REMARKS</p> <p>The FY 99-05 new facility outfitting element of the DHP's procurement budget funds the acquisition and installation of commercially available equipment to furnish new and expanded facilities being completed under military construction projects in support of dental services, health care delivery, health care training, and other health care activities. The items range from dental, surgical, radiographic, and pathologic equipment to medical administrative support equipment. The FY 1999-2005 new facility outfitting program provides critical support to the DHP's military medical construction program.</p> <p>The FY 2000 new facility outfitting request provides funding for only the minimum essential equipment necessary to support Congressionally reviewed and approved military medical construction projects. The FY 2003-2005 new facility outfitting request has been reduced to reflect the elimination of four military construction (MILCON) projects.</p>							

Defense Health Program
Fiscal Year(FY)2001 Budget Estimates
Operations and Maintenance
Personnel Summary
OP-5 Part 1

<u>Personnel Summary:</u>	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>Change FY 2000/2001</u>
<u>Active Military End Strength</u>				
Officer	33,038	32,694	32,603	-91
Enlisted	<u>61,480</u>	<u>59,714</u>	<u>59,802</u>	<u>88</u>
Total Military	94,518	92,408	92,405	-3
<u>Civilian End Strength</u>				
US Direct Hire	38,213	37,061	35,962	-1,099
Foreign National Direct Hire	<u>727</u>	<u>537</u>	<u>533</u>	<u>-4</u>
Total Direct Hire	38,940	37,598	36,495	-1,103
Foreign National Indirect Hire	<u>1,597</u>	<u>1,737</u>	<u>1,717</u>	<u>-20</u>
Total Civilians	40,537	39,335	38,212	-1,123
(Reimbursable Included Above - Memo)	483	502	503	1
<u>Active Military work years</u>				
Officer	34,009	32,866	32,649	-218
Enlisted	<u>64,403</u>	<u>60,537</u>	<u>59,758</u>	<u>-839</u>
Total Military	98,412	93,463	92,407	-1,057
<u>Civilian Work Years</u>				
US Direct Hire	37,831	36,937	36,103	-834
Foreign National Direct Hire	<u>630</u>	<u>537</u>	<u>533</u>	<u>-4</u>
Total Direct Hire	38,461	37,474	36,636	-838
Foreign National Indirect Hire	<u>1,541</u>	<u>1,711</u>	<u>1,692</u>	<u>-19</u>
Total Civilians	40,002	39,185	38,328	-857
(Reimbursable Included Above - Memo)	491	518	518	0

1/ Included to show a unified medical program. Military and civilian end strength included in DoD Components, not the Defense Health Program.

**Defense Health Program
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Detail By Sub-Activity Group: **In-House Care**

I. Description of Operations Financed: This Sub-Activity Group provides for the delivery of patient care in the Continental United States (CONUS) and Outside the Continental United States (OCONUS). This includes two broad functional areas: (1) Care in Defense Medical Centers, Station Hospitals and Medical Clinics, and (2) Dental Care Activities.

II. Force Structure Summary: Defense Medical Centers/Hospitals/Clinics represent the costs of providing medical care in DoD-owned and operated medical centers, station hospitals, medical clinics, and subordinate aid stations which are staffed and equipped to provide the full range of inpatient and ambulatory health care services. It includes medical center laboratories, alcohol treatment, clinical investigation activities and on-the-job training/education programs conducted at these facilities and federal sharing agreements. Excludes operation of management headquarters for TRICARE Lead Agents, dental activities, deployable medical units and other health care resources devoted exclusively to teaching. Dental Care Activities represent the costs of providing dental services through operation of hospital departments of dentistry, installation dental clinics, and Regional Dental Activities (laboratories). Excludes provision of medical and dental services by units organic to Operating Forces units and deployable dental units operating in an active combat zone.

III. Financial Summary (O&M \$ in thousands):

A. Sub-Activity Group

	FY1999 <u>Actual</u>	FY 2000		Current <u>Estimate</u>	FY2001 <u>Estimate</u>
		Budget <u>Request</u>	<u>Appropriation</u>		
MEDCENS, Hospitals & Clinics (CONUS)	2,896,829	3,149,875	3,160,275	3,257,415	3,444,027
MEDCENS, Hospitals & Clinics (OCONUS)	285,777	289,484	281,886	284,366	287,571
Dental Care Activities - (CONUS)	166,407	155,546	155,546	174,081	178,235
Dental Care Activities - (OCONUS)	<u>45,933</u>	<u>42,772</u>	<u>42,675</u>	<u>43,484</u>	<u>45,330</u>
Total	3,394,946	3,637,677	3,640,382	3,759,346	3,955,163

B. Reconciliation Summary:

	Change <u>FY2000/2000</u>	Change <u>FY2000/2001</u>
Baseline Funding	3,483,767	3,759,346
Congressional Adjustments	2,705	0
Supplemental Request	0	0

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Price Change	-5,276	142,593	
Functional Transfer	153,910	0	
Program Changes	<u>124,240</u>	<u>53,224</u>	
Current Estimate	3,759,346	3,955,163	

C. Reconciliation of Increases and Decreases

1.	FY 2000 President's Budget Request	3,637,677
2.	Congressional Adjustments	2705
	a. Pacific Island Health Care	5000
	b. Alaska Federal Health Partnership	1400
	c. Digital Mammography	4000
	d. O&M economic adjustments	-7695
3.	FY 2000 Appropriation Enacted	3,640,382
4.	Proposed Supplemental	0
5.	Transfers In	0
6.	Transfers Out	0
7.	Price Adjustment	-5,276
8.	Program Increases	
	a. Annualization of New FY 2000 Program	0
	b. One-Time FY 1999 Costs	0
	1 Restoral of prior foreign currency negative adjustment	3611
	This program increase restores a prior negative economic adjustment to the O&M appropriation.	
	c. Program Growth in FY 2000	
	1 Pharmacy	
	This program increase represents amounts required to restore the pharmacy program to meet current requirements.	152,088
9.	Total Increases	155,699
10.	Program Decreases	

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a.	Annualization of New FY 1999 Program	0	
b.	One-Time FY 2000 Costs	0	
	1 Travel		
	This program decrease represents one-time reductions in non-patient related travel.	-5,975	
	2 Information Management Information Technology		
	This program decrease represents one-time reductions in IMIT expenditures.	-16,895	
	3 Equipment		
	This program decrease represents one-time reductions in equipment purchases.	-8,406	
	4 Rescission on Congressional Adjustments		
	This reduction reflects the rescission imposed upon Congressional adjustments.	-183	
	c. Program Decreases in FY 2000		
11.	Total Decreases		-31,459
12.	FY 2000 Current Estimate		3,759,346
13.	Price Growth		142,593
14.	Transfers In		0
15.	Transfers Out		0
16.	Program Increases		
	a. Annualization of New FY 2001 Program	0	
	b. One-Time FY 2001 Costs	0	
	1 Travel		
	This one-time increase restores a previous suppression.	6202	
	2 Information Management Information Technology		
	This one-time increase restores a previous suppression.	17,537	
	3 Equipment		
	This one-time increase restores a previous suppression.	8725	
	c. Program Growth in FY 2001		
	1 Pharmacy		
	This program increase represents increases in	15,509	

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the pharmacy program to more accurately reflect current requirements.

2 Advances in Medical Practice (AMP)		
This program increase brings the FY2001 AMP		37,760
to \$100 million from \$62.8 million in FY2000.		
17. Total Increases		85,733
18. Program Decreases		
a. One-time FY 2001 Costs		-23,308
1 Congressional Adjustments		
Pacific Island Health Care	-5,099	
Alaska Federal Health Partnership	-1,427	
Digital Mammography	-4,079	
2 Equipment		
This program decrease represents a suppression in equipment	-12,703	
purchases to fund increased purchased health care cost.		
b. Annualization of FY 1999 Program Decreases		
c. Program Decreases in FY 2001		-9,201
1 Panama		
This program decrease recognizes the infrastructure	-9201	
reductions related to mission changes in Panama		
and other programmatic adjustments.		
19. Total Decreases		-32,509
20. FY 2001 Budget Request		3,955,163

IV. Performance Criteria and Evaluation Summary: In-House Care

	<u>FY 1999</u>	<u>FY2000</u>	<u>FY2001</u>	<u>Change FY2000/2001</u>
<u>Total US User Population (Avg Manyears)</u>				
Active Duty (1)	1,327,732	1,313,247	1,303,018	(10,230)

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Dependents of Active Duty (2)	1,888,083	1,896,941	1,885,358	(11,583)
CHAMPUS Eligible Retirees	682,639	674,791	666,544	(8,247)
CHAMPUS Eligible Dependents of Retirees	1,153,795	1,144,311	1,134,103	(10,209)
Medicare Eligible Beneficiaries	<u>323,921</u>	<u>335,590</u>	<u>347,740</u>	<u>12,150</u>
Total Population	5,376,169	5,364,880	5,336,762	(28,117)

Total Overseas User Population (Avg Manyears)

Active Duty (1)	221,327	218,116	216,989	(1,127)
Dependents of Active Duty (2)	193,534	194,411	193,226	(1,186)
CHAMPUS Eligible Retirees	20,793	20,468	20,282	(186)
CHAMPUS Eligible Dependents of Retirees	37,733	37,370	37,113	(257)
Medicare Eligible Beneficiaries	<u>15,702</u>	<u>16,394</u>	<u>17,130</u>	<u>737</u>
Total Population	489,088	486,758	484,739	(2,019)

Total World-Wide User Population (Avg Manyears)

Active Duty (1)	1,549,059	1,531,363	1,520,007	(11,357)
Dependents of Active Duty (2)	2,081,616	2,091,352	2,078,583	(12,769)
CHAMPUS Eligible Retirees	703,432	695,259	686,826	(8,433)
CHAMPUS Eligible Dependents of Retirees	1,191,528	1,181,681	1,171,216	(10,465)
Medicare Eligible Beneficiaries	<u>339,622</u>	<u>351,983</u>	<u>364,870</u>	<u>12,887</u>
Total Population	5,865,257	5,851,637	5,821,501	(30,136)

(1) Includes Active Guard/Reserve entitled to medical benefits.

(2) Includes Dependents of Active Guard/Reserve entitled to medical benefits.

IV. Performance Criteria and Evaluation Summary: In-House Care (Continued)

Defense Health Program

Performance Contract Between Defense Management Council and Assistance Secretary of Defense (Health Affairs)FY 2000

Business Area Performance Standard #1 - Health Care

- Projected workload and resources for the provision of health care

	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>	<u>FY05</u>
DHP Requirements (\$M)	12.238	13,134	13,548	15,788
Beneficiaries (000)	8167	8,187	8,181	8,262

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Users (000)	5865	5,852	5,822	5,813
Allocated Cost per Beneficiary (\$)	1,498	1,604	1,656	1,911
Allocated Cost per User (\$)	2,087	2,244	2,327	2,716

V. Personnel Summary

	<u>FY 1999</u>	<u>FY2000</u>	<u>FY2001</u>	<u>Change FY2000/2001</u>
<u>Active Military End Strength</u>				
Officer	22,277	21,930	21,844	-86
Enlisted	<u>46,471</u>	<u>45,764</u>	<u>45,740</u>	<u>-24</u>
Total Military	68,748	67,694	67,584	-110
<u>Civilian End Strength</u>				
US Direct Hire	27,694	26,971	26,099	-872
Foreign National Direct Hire	<u>542</u>	<u>389</u>	<u>384</u>	<u>-5</u>
Total Direct Hire	28,236	27,360	26,483	-877
Foreign National Indirect Hire	<u>1,133</u>	<u>1,260</u>	<u>1,250</u>	<u>-10</u>
Total Civilians	29,369	28,620	27,733	-887
(Reimbursable Included Above - memo)	483	502	503	1
<u>Active Military Average Strength</u>				
Officer	22,982	22,104	21,887	-217
Enlisted	<u>48,230</u>	<u>46,118</u>	<u>45,752</u>	<u>-366</u>
Total Military	71,212	68,221	67,639	-583
<u>Civilian Work Years</u>				
US Direct Hire	27,336	26,982	26,332	-650
Foreign National Direct Hire	476	389	384	-5
Total Direct Hire	27,812	27,371	26,716	-655
Foreign National Indirect Hire	<u>1,088</u>	<u>1,238</u>	<u>1,230</u>	<u>-8</u>
Total Civilians	28,900	28,609	27,946	-663
(Reimbursable Included Above - memo)	491	518	518	0

**Defense Health Program
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Detail By Sub-Activity Group: **Private Sector Care**

I. Description of Operations Financed: This subactivity provides for all medical care received by DoD-eligible beneficiaries in the private sector. This includes the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) program, the TRICARE Managed Care Support (MCS) contracts, and Uniformed Services Family Health Program (USFHP) (formerly known as the Uniformed Services Treatment Facilities). The CHAMPUS program is a world-wide health care cost-sharing program. The TRICARE MCS program, now fully deployed, is a managed care program which integrates a standardized health benefits package with military medical treatment facilities and civilian network providers on a regional basis. With the full deployment of TRICARE, all but a small portion of the standard CHAMPUS benefits have been absorbed into the TRICARE MCS contracts. The purchase of health care through the USFHP for enrolled eligible beneficiaries is also part of this subactivity. Requirements outside the Continental United States are being met through the TRICARE Overseas Program which includes TRICARE Europe, TRICARE Pacific and TRICARE Latin America. Finally, this subactivity supports all supplemental care received in any CONUS or OCONUS civilian health care facility, either referred or not referred by the military treatment facility. Also included is the emergency medical care and transportation for authorized beneficiaries, and medically necessary non-emergency care for active duty personnel when care is not accessible from a military treatment facility.

II. Force Structure Summary: Approximately 6.7 million DoD beneficiaries are eligible to receive care under private sector care programs. There are seven "commercial" or "civilian-operated" Uniformed Services Family Health Program facilities. Seven TRICARE MCS contracts cover twelve Health Service Regions (HSRs) and provide a uniform, triple-option health care plan to eligible beneficiaries, allowing them to enroll in the health maintenance organization (HMO) type plan known as TRICARE Prime, or utilize a civilian preferred provider network (TRICARE Extra), or remain with the Standard CHAMPUS benefit plan (TRICARE Standard). This sub-activity group includes the TRICARE Active Duty Family Member Dental Program, the Select Reserve Dental Program, Continuing Health Education/Capitalization of Assets program, Expanded Cancer program, the National Mail Order Pharmacy program and the Geographically Separated Units. Supplemental care includes all active duty emergency health care received in a civilian facility, either referred or not referred by a military treatment facility (worldwide).

III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group

	FY 1999 <u>Actual</u>	FY 2000			FY 2001 <u>Estimate</u>
		Budget	Current		
		<u>Request</u>	<u>Appropriation</u>	<u>Estimate</u>	
Managed Care Support Contracts	2,901,803	2,962,708	2,899,708	3,113,600	3,379,199
CHAMPUS	582,286	528,760	528,760	610,271	580,849
Care in Non-Defense Facilities	<u>684,967</u>	<u>699,654</u>	<u>699,654</u>	<u>669,977</u>	<u>698,963</u>
Total	4,169,056	4,191,122	4,128,122	4,393,848	4,659,011

B. Reconciliation Summary

	Change FY 2000/2000	Change FY 2000/2001
Baseline Funding	4,116,820	4,393,848

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Congressional Adjustments	-63,000	0
Supplemental Request	0	0
Price Change	14,095	180,076
Functional Transfer	74,302	0
Program Changes	<u>251,631</u>	<u>85,087</u>
Current Estimate	4,393,848	4,659,011

C. Reconciliation of Increases and Decreases

1. FY 2000 President's Budget Request	4,191,122
2. Congressional Adjustments	-63,000
3. FY 2000 Appropriation Enacted	4,128,122
4. Proposed Supplemental	0
5. Transfers In	0
6. Transfers Out	0
7. Price Growth	14,095
8. Program Increases	
a. Annualization of New FY 2000 Program	0
b. One-Time FY 2000 Costs	63,000
Restoral of a congressional economic adjustment required for program execution	
c. Program Growth in FY 2000	
(1) Restoral of pharmacy initiatives	35,000
Restoral of savings associated with a legislative proposal on two pharmacy initiatives for the TRICARE MCS contracts that did not materialize.	
(2) Unrealized cost reductions for streamlining the MCS contracts	35,000
Efforts to streamline the TRICARE MCS contracts did not generate	
(3) Bid Price Adjustments	25,000
Anticipated cost reductions to the TRICARE MCS contracts for bid price adjustments that did not materialize.	
(4) Unrealized population savings	9,800
Unrealized reduction in TRICARE MCS costs due to a decrease of users in the Military Health System that did not materialize.	
(5) Fact of Life Changes	74,631
Reflects most current assumptions and projections associated with care purchased in the private sector. Includes actual Bid Price Adjustments and Requests for Equitable Adjustments to the TRICARE MCS contracts.	
(6) Directed programs	20,000

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Reflects projected costs associated with implementing the Custodial Care program directed by the Congress.

9. Total Increases		262,431
10. Program Decreases		
a. MTF Productivity lower BPA cost.	-10,800	
11. Total Decreases		-10,800
12. Revised FY 2000 Estimate		4,393,848
13. Price Growth		180,076
14. Transfers In		0
15. Transfers Out		0
16. Program Increases		
a. Annualization of New FY 2001 Program	0	
b. One-Time FY 2000 Costs	0	
c. Program Growth in FY 2001		
(1) Increased Costs		
Overall increase is attributed to a shift in workload and actual MCS health care costs that are risk shared between the TRICARE MCS contractor and the government. Also included are increased costs for the dental programs, MCS change orders, and requests for equitable adjustments.	91,724	
(2) Benefit Changes		
Reflects costs increases related to proposed benefit changes.	80,000	
17. Total Increases		171,724
18. Program Decreases		
a. One-Time FY 2001 Costs	0	
b. Annualization of FY 2001 Program Decreases	0	
c. Program Decreases in FY 2001		
(1) Cost reductions	-70,937	
Represents a reduction in claims paid under the Continuing Health Education/Capitalization of Assets (CHE/CAP) program, and decreases in Bid Price Adjustments and Requests for Equitable Adjustments.		
(2) Increased MTF productivity	-15,700	
Increased productivity within the MTF will result in lower Bid Price Adjustments to the TRICARE MCS contracts.		
19. Total Decreases		-86,637
20. FY 2001 Budget Request		4,659,011

Defense Health Program
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IV. Performance Criteria and Evaluation Summary: Private Sector Care

Total US User Population (Average Manyears) (1)

	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	Change <u>FY 2000/2001</u>
USTF Enrollees (DoD Only)	89,961	94,459	94,459	0
Total CHAMPUS Eligibles	5,247,611	5,231,336	5,186,164	-45,172
Total CHAMPUS Users	3,976,577	3,968,291	3,936,625	-31,666

V. Personnel Summary

	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	Change <u>FY 2000/2001</u>
<u>Active Military End Strength</u>				
Officer		0	0	0
Enlisted	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Military	0	0	0	0

Civilian End Strength

US Direct Hire	0	0	0	0
Foreign National Direct Hire	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Direct Hire	0	0	0	0
Foreign National Indirect Hire	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Civilians	0	0	0	0

(Reimbursable Included Above - memo)

	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	Change <u>FY 2000/2001</u>
<u>Active Military Work Years</u>				
Officer	2	0	0	0
Enlisted	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Military	2	0	0	0

Civilian Work Years

US Direct Hire	0	0	0	0
Foreign National Direct Hire	0	0	0	<u>0</u>
Total Direct Hire	0	0	0	0
Foreign National Indirect Hire	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Civilians	0	0	0	0

(Reimbursable Included Above - memo)

**Defense Health Program
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Detail By Sub-Activity Group: **Consolidated Health Support**

I. Description of Operations Financed: This Sub-Activity Group comprises seven functions which support delivery of patient care worldwide: Other Health Activities, Military Public/Occupational Health, Veterinary Services, Examining Activities, Military Unique-Other Medical Activities, Aeromedical Evacuation System, and Armed Forces Institute of Pathology (AFIP).

II. Force Structure Summary: Other Health Activities includes central medical laboratories, medical service squadrons, Air Medical Department Field Procurement Offices, Health Services Data Systems Agency, Navy Healthcare Support Offices, Lead Agent Offices and public affairs. Military Public/Occupational Health includes public health activities such as medical epidemiology and entomology, drinking water safety, monitoring hazardous waste disposal, food/facility sanitation, health promotion, community health nursing, medical intelligence, and occupational health activities such as assessment of workplace health hazards, employee health surveys, tracking exposure to physical, chemical, and biological stresses, development of preventive measures, epidemiological studies of occupational diseases, health hazard assessment of new materiel/weapons systems, and medical support to nuclear/biological/chemical surety programs. Veterinary Services supports the worldwide DoD veterinary mission and provides support to other

specified federal agencies through activities such as care for government owned animals, clinical investigation support, control of zoonotic diseases, and wholesale food inspection. Examining Activities provides physical examinations and evaluations of medical suitability for individuals processed for accession to Active and Reserve Components through Military Entrance Processing Stations (MEPS) and DoD Medical Evaluation Review Board (DoDMERB). Military Unique Requirements - Other Medical includes a host of activities related to the size of military population, such as physiological training units, Defense Medical Standardization Board, drug abuse detection laboratories, Military Blood Program Agency, optical repair/fabrication laboratories, USAF Armstrong Laboratory, health facilities offices, medical logistics/support offices, Medical Wartime Hospital Integration Office, Army Medical Materiel Activities,

plans/operations/training, and Navy Medical Logistics Command, and Joint and Armed Services Medical Regulating Offices. The Aeromedical Evacuation (AE) System includes the Aeromedical Evacuation and Tanker Airlift Control Centers, AE squadrons and detachments, and aeromedical staging facilities. Beginning in FY01 the DHP will lose the non-strategic portion of the AirEvac mission (this includes nearly all C-9 Conus and C-9 OConus missions, and the 43 AES at Pope AFB). Armed Forces Institute of Pathology (AFIP) is the chief reviewing authority on diagnosis of pathologic tissue for the Armed Services; conducts experimental, statistical and morphological investigation; operates Armed Forces Medical Examiner System and DoD DNA Registry; and administers DoD drug testing quality control/proficiency testing and Clinical Laboratory Improvement programs.

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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group

	FY1999 <u>Actual</u>	FY 2000			FY2001 <u>Estimate</u>
		<u>Budget Request</u>	<u>Appropriation</u>	<u>Current Estimate</u>	
Examining Activities	28,801	31,800	31,800	31,575	34,018
Other Health Activities	340,278	283,041	294,041	300,002	312,681
Military Public/Occupational Health	206,197	201,413	201,413	203,507	214,365
Veterinary Services	15,603	15,072	15,072	15,846	16,626
Military Unique - Other Medical Acti	196,940	222,754	246,747	222,117	216,054
Aeromedical Evacuation System	83,235	76,447	76,447	76,324	20,062
AFIP	<u>43,948</u>	<u>46,997</u>	<u>46,997</u>	<u>44,848</u>	<u>47,218</u>
Total	915,002	877,524	912,517	894,220	861,024

B. Reconciliation Summary:

	Change <u>FY 2000/2000</u>	Change <u>FY 2000/2001</u>
Baseline Funding	877,524	894,220
Congressional Adjustments	34,993	0
Supplemental Request	0	0
Price Change	3,416	35,159
Functional Transfer	0	-62,500
Program Changes	<u>-21,713</u>	<u>-5,855</u>
Current Estimate	894,220	861,024

C. Reconciliation of Increases and Decreases

1. FY 2000 President's Budget Request	877,524
2. Congressional Adjustments	34,993
a. Computational Neuroscience	3,000
b. Lung Cancer	7,000
c. Post Polio	1,300
d. Neuroscience West Coast MRI	3,000
e. Neuroscience Cooperative Agreement DAMD 99-2-9007	5,000

**Defense Health Program
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f. Nutrition Research	3,760	
g. Periscopic Surgery DAMD 99-1-9022	2,000	
h. Chronic Disease Management	10,000	
I. Brown Tree Snakes	1,000	
j. Foreign Currency	-1,067	
3. FY 2000 Appropriation Enacted		912,517
4. Proposed Supplemental		0
5. Transfers In		0
6. Transfers Out		0
7. Price Growth		3,416
8. Program Increases		
a. Annualization of New FY 2000 Program	0	
b. One-Time FY 2000 Costs	501	
1) Foreign Currency Revaluation	501	
c. Program Growth in FY 2000		16,087
1) Anthrax Immunization Program	8,660	
Medical Immunization program to support force protection		
2) Military Entrance Processing Command (MEPCOM) Workload Changes	736	
Supports increased entrance physicals due to higher accession requirements		
3) Repatriated Prisoner of War Program	506	
Supports program to determine long term medical effects of the POW experience		
4) Advanced Concept Technology Demonstration	572	
Supports the acceleration of the application of mature technologies in support of the warfighter		
5) Patient Movement Items (PMI)	1,586	
Supports purchase of critical life support items required for Air Evac mission		
6) Theater Medical Information Program	4,027	
Provides maritime integration of the TMIP Joint Solution		
9. Total Increases		16,588
10. Program Decreases		
a. Annualization of New FY 2000 Program		0
b. One-Time FY 2000 Costs	-27,768	
1.) Travel Suppression	-4,424	
Reflects suppression of travel to pay higher priority bill within the DHP		
2) Govt. Wide Rescission	-16,109	
Application of reduction against Consolidated Health Programs		
3) IM/IT Suppression	-7,235	
Suppression of IM/IT program to pay higher priority bill within the DHP		
c. Program Decrease in FY 2000		-10,533
1) IM/IT Consolidation	-2,100	

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Management efficiencies gained through program reorganization		
2) Contract Logistic Support reduction related to strategic Air Evac	-4,478	
Reflects new mission requirements for Air Evac program		
3) AVPOL reduction related to Non-Strategic Air Evac	-3,955	
Reflects new mission requirements for Air Evac program		
11. Total Decreases		-38,301
12. Revised FY 2000 Estimate		894,220
13. Price Growth		35,159
14. Transfers In		0
15. Transfers Out		0
a. Transfer of non-strategic Aeromedical Evac to Line Air Force		-62,500
16. Program Increases		
a. Annualization of New FY 2001 Program		0
b. One-Time FY 2001 Costs		28,200
1) Restoral of Travel Suppression plus inflation	4,598	
2) Restoral of Rescissions plus inflation	16,083	
3) Restoral of previous IM/IT suppression	7,519	
c. Program Growth in FY 2001		19,557
1) Military Entrance Processing Command (MEPCOM) Workload	654	
Growth reflects the projected increase in MEPCOM workload due to higher accession requirements amongst		
2) Global Emerging Infectious Surveillance	297	
Increase required to support the Global Emerging Infectious Surveillance program for the DoD Public Health Laboratory System, which analyzes major emerging disease threats		
3) Auto on the Job Inquiry Tracking System	500	
Occupation Health system to track employment related injuries		
4) Weapons of Mass Destruction Exercise	8,000	
Increase required to support the Weapons of Mass Destruction readiness exercise		
5) Advanced Concept Technology Demonstrations	106	
The Advanced Concept Technology Demonstrations program is used as an integral element in reforming the acquisition process and accelerating the application of mature technologies to meet the needs of the warfighter		
6) HIV Africa	10,000	
Funds support the development of a DoD program to conduct HIV prevention education activities in conjunction with DoD's ongoing training, exercises, and humanitarian assistance activities with African militaries		
17. Total Increases		47,757
18. Program Decreases		
a. Annualization of New FY 2001 Program		0

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b. One-Time FY 2001 Costs		-49,298
1) Reversal of Congressional adds	-35,709	
2) Medical Command Suppression	-546	
Reflects suppression of program to pay higher priority DHP items		
3) Equipment Suppression	-1,255	
Reflects suppression of program to pay higher priority DHP items		
4) Travel Suppression	-180	
Reflects suppression of program to pay higher priority DHP items		
5) Suppression of equipment and supplies	-8,726	
Reflects suppression of program to pay higher priority DHP items		
6) Contract Logistics Support reduction	-803	
Completes reduction to Contract Logistics Support due to mission change		
7) Adenovirus Reduction	-2,079	
Reflects suppression of program to pay higher priority DHP items		
c. Program Decreases in FY 2001		-4,314
1) Lead Agent Reductions	-2,219	
Reflects savings realized through Lead Agent reductions		
2) Rescheduling of EASIII to EASIV deployment	-260	
Reflects new timeline for EAS IV deployment		
3) TMIP program reduction for Navy	-297	
Program decrease to reflect current requirements		
4) Anthrax Program adjustment	-1,538	
Adjusts immunization program to reflect mission requirements and resources available		
19. Total Decreases		-53,612
20. FY 2001 Budget Request		861,024

IV. Performance Criteria and Evaluation: Consolidated Health Support

	<u>FY 1999</u>	<u>FY2000</u>	<u>FY2001</u>	<u>Change FY2000/2001</u>
Active Duty Population				0
MEPS Workload (000)	366.0	394.0	409.0	15
Spectacles/Inserts fabricated (000)	1,063	1,064	1,066	2
Army Flying Hours	1,870	1,800	3,000	1,200
Veterinary Lab procedures (000)	227	226	225	-1

**Defense Health Program
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V. Personnel Summary

	<u>FY 1999</u>	<u>FY2000</u>	<u>FY2001</u>	<u>Change FY 2000/2001</u>
<u>Active Military End Strength</u>				
Officer	2,841	2,372	2,227	-145
Enlisted	<u>7,419</u>	<u>5,116</u>	<u>4,985</u>	-131
Summary	10,260	7,488	7,212	-276
 <u>Civilian End Strength</u>				
US Direct Hire	5878	5704	5555	-149
Foreign National Direct Hire	<u>128</u>	<u>97</u>	<u>98</u>	1
Total Direct Hire	6006	5801	5653	-148
Foreign National Indirect Hire	<u>388</u>	<u>398</u>	<u>388</u>	-10
Total Civilians	6394	6199	6041	-158
(Reimbursable Included Above - memo)	0	0	0	0
 <u>Active Military Work Years</u>				
Officer	2,845	2,607	2,300	-307
Enlisted	<u>7,415</u>	<u>6,268</u>	<u>5,051</u>	-1217
Total Military	10,260	8,874	7,350	-1524
 <u>Civilian Work Years</u>				
US Direct Hire	5811	5623	5515	-108
Foreign National Direct Hire	<u>105</u>	<u>97</u>	<u>98</u>	1
Total Direct Hire	5916	5720	5613	-107
Foreign National Indirect Hire	<u>375</u>	<u>397</u>	<u>386</u>	-11
Total Civilians	6291	6117	5999	-118
(Reimbursable Included Above - memo)	0	0	0	0

**Defense Health Program
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Detail By Sub-Activity Group: **Information Management**

I. Description of Operations Financed: The TRICARE Management Activity manages all DoD health programs and provides planning, integration, program oversight, and policy formulation for the Military Health System (MHS). The MHS IM/IT program focuses on the implementation of Defense-wide standards to ensure integration, interoperability, and commonality within DoD. Included in the IM/IT program are six major initiatives: 1) Composite Health Care System II (CHCS II) which supports new functions in the Computer-based Patient Record and integrates pertinent functions that currently exist, are in development or planned, for more than 50 DoD and Service-specific legacy and interim migration automated information systems; 2) Corporate Executive Information System (CEIS) designed to meet multilevel healthcare management information needs by providing the opportunity to consolidate and integrate data from the legacy systems; 3) Defense Medical Logistics Standard Support System (DMLSS) will support the MHS in peacetime as well as in wartime/contingencies, standardize intra-hospital and data and processes, reduce time that direct care providers and other health care personnel spend on logistics activities, and achieve integration and effective communication with other standard DoD systems; 4) Theater Medical Information Program (TMIP) will support all echelons of care through integrating medical capabilities under a joint concept of operation to support seamless delivery of medical care; 5) Health Standard Resources System (HSRS) is the MHS target system that will support all MHS standard resource management applications, functions, and reengineered business practices and will establish and manage a standards-based infrastructure within the MHS; 6) and TRANSCOM Regulating And Command & Control Evacuation System (TRAC2ES) will be the automated decision support system designed to function within a global network to assist in the command and control of joint, combined, and component, inter- and intra-theater patient movement including medical regulating and patient evacuation for the ASD(HA), the Joint Staff, geographic CINCs, and the USTRANSCOM in peace, operations other than war, and war. The goal is to provide global medical information capability, linking information databases that are accessible to the warfighter anywhere. The Tri-Service Infrastructure Management Program Office will establish and manage a standards-based infrastructure within the MHS. The infrastructure program consists of three basic components: (1) a wide area network (WAN), deployed to all TRICARE regions, providing communication support for all medical information systems; (2) a local area network (LAN), which will provide unified backbone networks within medical treatment facilities; and (3) centralized network management, to include capacity planning, configuration management and security integration, which provides standardized support to all MHS facilities.

II. Force Structure Summary: This program funds the costs of the development, deployment, and sustainment of automated information systems in support of military medical readiness and promoting quality health care services to members of the armed forces, their families, and others entitled to DoD healthcare.

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III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group

	FY 1999 <u>Actual</u>	FY 2000			FY 2001 <u>Estimate</u>
		<u>Budget Request</u>	<u>Appropriation</u>	<u>Current Estimate</u>	
Central Information Management	262,422	299,138	334,838	313,021	326,806

B. Reconciliation Summary:

	Change <u>FY 2000/2000</u>	Change <u>FY2000/2001</u>
Baseline Funding	299,138	313,021
Congressional Adjustments	35,700	0
Supplemental Request	0	0
Price Change	680	4,695
Functional Transfer	0	-4,435
Program Changes	<u>-22,497</u>	<u>13,525</u>
Current Estimate	313,021	326,806

C. Reconciliation of Increases and Decreases

1. FY 2000 President's Budget Request	299,138
2. Congressional Adjustments	35,700
Computer Based Record	4,200
Military Health Service Info Mgmt Record	10,000
PACMEDNET	12,000
Automated Clinic Practice Guidelines	7,500
DoD Center for Medical Informatics	2,000
3. FY 2000 Appropriation Enacted	334,838
4. Proposed Supplemental	0
5. Transfers In	0
6. Transfers Out	0
7. Price Growth	680
8. Program Increases	

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a. Annualization of New FY 2000 Program	0		
b. One-Time FY 2000 Costs	0		
c. Program Growth	0		
9. Total Increases			0
10. Program Decreases			
a. Annualization of New FY 2000 Program	0	0	
b. One-Time FY 2000 Costs		-22,497	
1)Central IM/IT Suppression	-12,000		
Suppression of IM/IT program to pay higher priority bills within the DHP			
2)Program reduction to bring IM/IT to industry benchmark	-4,631		
Average industry IM/IT expenditure according to industry standard			
3)Govt. Wide Rescission	-5,866		
Government wide reduction of applied to Central IM/It			
c. Program Decreases in FY 2000			0
11. Total Decreases			-22,497
12. Revised FY 2000 Estimate			313,021
13. Price Growth			4,695
14. Transfers In			0
15. Transfers Out			
Internal realignment of O&M and RDT&E programs within the DHP			-4435
16. Program Increases			
a. Annualization of New FY 2000 Program	0		
b. One-Time FY 2001 Costs		17,500	
Restoral of suppression	12,180		
Restoral of govt. recession	5,320		
c. Program Increases		31,627	
1)Increase supports the sustainment costs related to	29,427		
CHCSII accelerated deployment and associated infrastructure			
2)TMIP Block 1 Implementation	2,200		

**Defense Health Program
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C. Reconciliation of Increases and Decreases (continued)

17. Total Increases		49,127
18. Program Decreases		
a. One-Time FY 2000 Costs		-35,602
Reversal of Congressional adds plus inflation		
b. Annualization of FY 2001 Program Decreases	0	
c. Program Decreases in FY 2000	0	
19. Total Decreases		-35,602
20. FY 2001 Budget Request		326,806

V. Personnel Summary (continued)

	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>Change FY 2000/2001</u>
Active Military End Strength				
Officer	0	0	0	0
Enlisted	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	0	0	0	0
Civilian End Strength				
US Direct Hire	0	0	0	0
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	0	0	0	0
Foreign National Indirect Hire	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Civilians	0	0	0	0
(Reimbursable Included Above)	0	0	0	0
Active Military Work Years				
Officer	0	0	0	0
Enlisted	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Military	0	0	0	0

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Civilian Work Years

US Direct Hire	0	0	0	0
Foreign National Direct Hire	0	0	0	<u>0</u>
Total Direct Hire	0	0	0	0
Foreign National Indirect Hire	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Civilians	0	0	0	0
 (Reimbursable Included Above)	0	0	0	0

**Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates**

Detail By Sub-Activity Group: **Management Activities**

I. Description of Operations Financed: This Sub-Activity Group comprises functions of the primary organizations which support delivery of patient care worldwide for the Military Health System (MHS): the military department medical commands and the TRICARE Management Activity (TMA).

II. Force Structure Summary: Management Headquarters includes costs of operating U.S. Army Medical Command, the Navy Bureau of Medicine and Surgery, and the Air Force Major Command Medical Management Headquarters. The TRICARE Management Activity (TMA) is responsible for all resources associated with the management support of TRICARE Managed Care Support (MCS) contracts, CHAMPUS benefit payments, and other CHAMPUS related programs best administered under TMA purview, including the Active Duty Family Member Dental Program, mail order pharmacy programs, the Continuing Health Education/Capitalization of Assets Program (CHE/CAP), the Expanded Cancer Demonstration program, and management support of the central information management/technology program. The TMA develops, provides, and maintains guidance for medical facility military construction projects throughout DoD to meet the wartime and peacetime mission of the MHS. The TMA oversees and maintains the DoD Unified Medical Program resources for all medical activities.

III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group

	FY 1999 Actual	FY 2000			FY 2001 Estimate
		Budget Request	Appropriation	Current Estimate	
Management Headquarters	34,859	35,299	35,299	34,102	42,537
TRICARE Management Activity	<u>141,261</u>	<u>159,469</u>	<u>159,469</u>	<u>144,837</u>	<u>154,586</u>
Total	176,120	194,768	194,768	178,939	197,123

B. Reconciliation Summary:

	Change <u>FY 2000/2000</u>	Change <u>FY 2000/2001</u>
Baseline Funding	194,768	178,939
Congressional Adjustments	-	-

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Supplemental Request	-	-
Price Change	1,831	3,546
Functional Transfer	-	6,456
Program Changes	-17,660	<u>8,181</u>
Current Estimate	178,939	197,123

C. Reconciliation of Increases and Decreases

1. FY 2000 President's Budget Request	194,768
2. Congressional Adjustments	0
3. FY 2000 Appropriation Enacted	194,768
4. Proposed Supplemental	0
5. Transfers In	
6. Transfers Out	
7. Price Change	1,831
8. Program Increases	
a. Annualization of New FY 2000 Program	0
b. One-Time FY 2000 Costs	0
c. Program Growth in FY 2000	0
9. Total Increases	1,831
10. Program Decreases	
a. Annualization of New FY 2000 Program	0
b. One-Time FY 2000 Costs	0
(1) Government wide rescission	-3,448
(2) IM/IT Reduction	-3,400
(3) Reduction Non Patient Travel	-483
c. Program Decrease in FY 2000	
(4) This program decrease represents a suppression of equipment and travel funds required by current fiscal constraints and the realignment of TMA resources to support active duty health care.	-10,329
11. Total Decreases	-17,660
12. Revised FY 2000 Estimate	178,939
13. Price Growth	3,546
14. Transfers In	6,456

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a. Realigns Air Force Major Command Medical Management Headquarters to the DHP.					
15. Transfers Out					0
16. Program Increases					
a. Annualization of New FY 2000 Program				0	
b. One-Time FY 2001 Costs				0	
(1) Represents a one-time increase for the Computer Accommodations Program to expand program to non-DoD agencies.				2,000	
(2) This increase represents the reversal on one-time FY 2000 reductions					
(a) Government Rescission				3,516	
(b) IM/IT Reduction				3,467	
(c) Non-Patient Travel				493	
Program Growth in FY 2001				0	
17. Total Increases					9,476
18. Program Decreases					
a. One-Time FY 2001 Costs				0	
b. Annualization of FY 2001 Program Decreases				0	
c. Program Decreases in FY 2001					
(1) This program decrease represents a suppression of TMA and component management activities to operate in a constrained fiscal environment				-1,294	
19. Total Decreases					-1,294
20. FY 2001 Budget Request					197,123

IV. Performance Criteria and Evaluation: Management Activities

	FY 1999	FY 2000	FY 2001	Change FY2000/2001
Total Worldwide User Population				
Active Duty	1,549,059	1,531,363	1,520,007	-11,357
Dependents of Active Duty	2,081,616	2,091,352	2,078,583	-12,769
CHAMPUS Eligible Retirees	703,432	695,259	686,826	-8,433
CHAMPUS Eligible Dependents of Retirees	1,191,528	1,181,681	1,171,216	-10,465
Medicare Eligible Beneficiaries	339,622	351,983	364,870	12,887
Total Population	5,865,257	5,851,637	5,821,501	-30,136

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V. Personnel Summary

	FY 1999	FY2000	FY2001	Change FY2000/2001
Active Military End Strength				
Officer	298	325	470	145
Enlisted	<u>160</u>	<u>87</u>	<u>173</u>	86
Total Military	458	412	643	231
 Civilian End Strength				
US Direct Hire	692	718	749	31
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	692	718	749	31
Foreign National Indirect Hire	0	0	0	0
Total Civilians	692	718	749	31
 (Reimbursable Included Above - memo)	0	0	0	0
 Active Military Work Years				
Officer	299	312	398	86
Enlisted	<u>123</u>	<u>124</u>	<u>130</u>	7
Total Military	422	435	528	93
 Civilian Work Years				
US Direct Hire	725	717	749	32
Foreign National Direct Hire	0	0	0	0
Total Direct Hire	725	717	749	32
Foreign National Indirect Hire	0	0	0	0
Total Civilians	725	717	749	32
 (Reimbursable Included Above - memo)	0	0	0	0

**Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates**

Detail By Sub-Activity Group: **Education and Training**

I. Description of Operations Financed: This Sub-activity Group provides support for worldwide medical education and training for active duty personnel, civilian personnel and students. It includes the Armed Forces Health Professions Scholarship Program (AFHPSP), the Financial Assistance Program (FAP) residencies, and other pre-commissioning professional scholarship programs. Manpower authorizations, equipment, and associated costs specifically identified and measurable to the conduct of officer acquisition in designated health professions are also included. The Uniformed Services University of the Health Sciences (USUHS) program provides for the education of military physicians and graduate education programs leading to a masters or doctoral degrees in the biological sciences.

Also included are other education and training requirements such as professional development and specialized skills training. Professional development provides career officer and enlisted medical personnel with training and education to prepare them to perform increasingly complex responsibilities as they progress in their military careers. Specialized skills provide officer, enlisted, and civilian medical personnel with the skills and knowledge needed to perform specific jobs.

II. Force Structure Summary: Education and training resources provide tuition and other educational expenses for the AFHPSP and the FAP residencies. The USUHS' costs include students and staff personnel costs as well as all other operation and maintenance type costs associated with the University. The remaining costs are those identified for professional development education and training programs and specialized skills training to match job structure requirements.

III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group

	FY1999	FY 2000				FY2001
		Budget	Current		FY2001	
		<u>Request</u>	<u>Appropriation</u>	<u>Estimate</u>	<u>Estimate</u>	
HPSP	89,900	80,737	80,737	91,886	97,635	
USUHS	77,081	65,461	87,021	85,497	67,858	
Other Education and Training	<u>144,868</u>	<u>166,618</u>	<u>170,858</u>	<u>136,789</u>	<u>136,080</u>	
Total	311,849	312,816	338,616	314,171	301,573	

Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates

B. Reconciliation Summary:

	Change <u>FY2000/2000</u>	Change <u>FY2000/2001</u>
Baseline Funding	312,816	314,171
Congressional Adjustments	25,800	0
Supplemental Request	0	0
Price Change	335	9,789
Functional Transfer	0	0
Program Changes	<u>-24,780</u>	<u>-22,387</u>
Current Estimate	314,171	301,573

C. Reconciliation of Increases and Decreases

1. FY 2000 President's Budget Request	312,816
2. Congressional Adjustments	25,800
Disaster Management Training	5,000
Comprehensive Breast Cancer	7,500
Coronary and Prostate Reversal	5,000
Graduate School of Nursing	2,300
Tri-Service Nursing	6,000
3. FY 2000 Appropriation Enacted	338,616
4. Proposed Supplemental	0
5. Transfers In	0
6. Transfers Out	0
7. Price Growth	335
8. Program Increases	
a. Annualization of New FY 2000 Program	0
b. One-Time FY 2000 Costs	0
c. Program Growth in FY 2000	

**Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates**

(1) Fund Dental Auxiliary Utilization Training Program which enhances ability to perform multiple chair operations and maximize clinic effectiveness	462	
(2) Increase scholarship funding to achieve higher recruitment goals in dental specialties and in line with actual prior year execution.	11,149	
9. Total Increases		11,611
10. Program Decreases		
a. Annualization of New FY 2000 Program	0	
b. One-Time FY 2000 Costs	0	
(1) Government-wide rescission	-5,839	
(2) Suppress travel	-2,312	
(3) Suppress information management/technology	-237	
(4) Reduce supplies and equipment to fund higher priorities in direct patient care.	-8,797	
c. Program Decreases in FY 2000		
(1) Reduce program in accordance with Department directed competitive outsourcing	-6,151	
(2) Reduce funding for professional development and specialized skills training to reflect lower than anticipated prior year execution.	-13,055	
11. Total Decreases		-36,391
12. Revised FY 2000 Estimate		314,171
13. Price Growth		0
14. Transfers In		0
15. Transfers Out		0
16. Program Increases		
a. Annualization of New FY 2001 Program	0	
b. One-Time FY 2001 Costs		
(1) Restore prior year suppression of travel and IM/IT	2,629	
(2) Restore government-wide rescission	5,555	

**Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates**

c.	Program Growth in FY 2001	0	
	(1) Partially restore supplies and equipment suppressed in the prior year	2,964	
	(2) Increase scholarship funding to actual in line with execution.	1,155	
17.	Total Increases		12,303
18.	Program Decreases		
a.	One-Time FY 2001 Costs		
	Reversal of FY 2000 one-time Congressional increases		
	Disaster Management Training	-5,065	
	Comprehensive Breast Cancer	-7,599	
	Coronary and Prostate Reversal	-5,065	
	Graduate School of Nursing	-2,331	
	Tri-Service Nursing	-6,079	
b.	Annualization of FY 1999 Program Decreases	0	
c.	Program Decreases in FY 2001	0	
	Additional reduction to program in accordance with Department directed competitive outsourcing	-8,551	
19.	Total Decreases		-34,690
20.	FY 2001 Budget Request		291,784

IV. Performance Criteria and Evaluation: Education and Training

Officer Acquisition

Workload Indicator	FY 1999	FY 2000	FY 2001
Scholarship Programs	4,092	4,090	4,130
Financial Assistance Programs	375	399	390
Total	4,467	4,489	4,520

**Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates**

Specialty Summary	FY 1999	FY 2000	FY 2001
Medical			
HPSP	3,165	3,132	3,172
FAP	343	359	342
Dental			
HPSP	802	834	833
FAP	32	40	48
Nurse			
HPSP	13	13	13
FAP	0	0	0
Allied Health			
HPSP	112	111	112
FAP	0	0	0
Total			
HPSP	4,092	4,090	4,130
FAP	375	399	390

Officer Acquisition

Student Load Summary	FY 1999	FY 2000	FY 2001
Scholarship Programs			
Entrants	1,923	1,865	1,932
Graduates	1,991	1,861	1,900
Loads	4,095	4,132	4,086

**Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates**

Financial Assistance Programs			
Entrants	248	248	241
Graduates	295	245	261
Loads	441	389	391
Total Programs			
Entrants	2,171	2,113	2,173
Graduates	2,286	2,106	2,161
Loads	4,536	4,521	4,477
Uniformed Services University of the Health Sciences			
Workload Indicator	FY 1999	FY 2000	FY 2001
USUHS			
Entrants	165	165	165
Graduates	164	164	161
Loads	664	665	669
Student Load Summary			
	FY 1999	FY 2000	FY 2001
USUHS			
Entrants	165	165	165
Graduates	164	164	161
Loads	664	665	669
Professional Development and Specialized Skills			
Workload Indicator	FY 1999	FY 2000	FY 2001
Enlisted Leadership Training	934	939	930
Graduate Education, Funded, Full Time	1,928	1,930	1,928
Health Professions Education	4,631	4,644	4,619
Initial Skills Training (Enlisted)	13,548	13,737	16,436
Skill Progression Training (Enlisted)	9,039	10,471	11,028

**Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates**

Initial Skill Training (Officer)	6,538	6,487	6,476
Skill Progression Training (Officer)	10,867	13,413	13,320
Functional Trng (Officer & Enlisted)	<u>5,972</u>	<u>6,029</u>	<u>7,590</u>
Total:	53,457	57,650	62,327
Student Load Summary	FY 1999	FY 2000	FY 2001
Enlisted Leadership Training			
Entrants	934	939	930
Graduates	856	864	855
Loads	59	60	59
Graduate Education, Funded, Full Time			
Entrants	2,325	2,300	2,309
Graduates	2,290	2,306	2,315
Loads	3,499	3,517	3,551
Health Professions Education			
Entrants	4,881	4,899	4,868
Graduates	4,765	4,796	4,755
Loads	474	484	479
Initial Skills Training (Enlisted)			
Entrants	15,827	17,707	19,994
Graduates	14,811	16,307	18,451
Loads	4,088	4,280	4,736
Skill Progression Training (Enlisted)			
Entrants	10,854	14,556	15,126
Graduates	10,807	14,074	14,663
Loads	2,147	2,467	2,400

**Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates**

Initial Skill Training (Officer)			
Entrants	6,538	6,487	6,476
Graduates	6,404	6,359	6,347
Loads	824	803	813
Skill Progression Training (Officer)			
Entrants	11,235	11,218	13,615
Graduates	11,092	11,100	13,503
Loads	908	864	1,060
Functional Trng (Officer & Enlisted)			
Entrants	28,601	72,005	7,612
Graduates	27,672	69,318	7,512
Loads	724	868	594

Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates

V. Personnel Summary

	<u>FY 1999</u>	<u>FY 2000</u>	<u>FY 2001</u>	<u>Change</u> <u>FY2000/2001</u>
<u>Active Military End Strength</u>				
Officer	6,736	7,306	7,310	4
Enlisted	<u>6,902</u>	<u>6,602</u>	<u>6,769</u>	<u>167</u>
Total Military	13,638	13,908	14,079	171
 <u>Civilian End Strength</u>				
US Direct Hire	1,243	1,224	1,210	-14
Foreign National Direct Hire	0	0	0	<u>0</u>
Total Direct Hire	1,243	1,224	1,210	-14
Foreign National Indirect Hire	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total Civilians	1,244	1,225	1,211	-14
 (Reimbursable Included Above - memo)	0	0	0	0
 <u>Active Military Work Years</u>				
Officer	7,050	7,021	7,308	287
Enlisted	<u>7,240</u>	<u>6,752</u>	<u>6,686</u>	<u>-67</u>
Total Military	14,290	13,773	13,994	221
 <u>Civilian Work Years</u>				
US Direct Hire	1,219	1,194	1,184	-10
Foreign National Direct Hire	0	0	0	<u>0</u>
Total Direct Hire	1,219	1,194	1,184	-10
Foreign National Indirect Hire	<u>1</u>	<u>1</u>	<u>1</u>	<u>0</u>
Total Civilians	1,220	1,195	1,185	-10
 (Reimbursable Included Above - memo)	0	0	0	0

**Defense Health Program
FY 2001 Amended Budget Estimates**

Detail By Sub-Activity Group: **Base Operations/Communications**

I. Descriptions of Operations Financed: Base Operations (BASOPS)/Communications refers to the resources dedicated to the operation and maintenance of Defense Health Program (DHP) facilities. The DHP's BASOPS provides for facilities and services at military medical activities supporting active duty combat forces, reserve and guard components, training, military dependents, eligible retirees, and family members. The program consists of seven components:

Environmental - costs required to comply with environmental laws, regulations, criteria, and standards. This applies to manpower, training, travel, and supplies.

Minor Construction - all construction costs less than the statutory maximum amount for minor military construction projects as established by Section 2805 of Title 10 U.S.C. in support of medical centers and other installations with a primary mission of health care.

Maintenance and Repair - costs required to execute maintenance and repair of utilities, buildings, other facilities, pavements, land, and grounds. This includes, but is not limited to, such things as repair of electrical circuitry, heating and air conditioning, water piping, and routine maintenance work such as caulking, painting, etc. in medical centers and other installations with a primary mission of health care.

Visual Information Systems - costs required to provide manpower, travel, contractual service, procurement of supplies and materials, expense equipment, necessary facilities and the associated costs specifically identifiable to visual information productions, services, and support.

Base Communications - costs required to provide base communication resources to DHP medical activities. This includes non-tactical, non-DCS base communication facilities and equipment systems that provide local communications worldwide to installations and activities.

Base Operations Support - costs required to provide comptroller services, ADP services, information activities, legal activities, civilian personnel administration, military personnel administration, printing and reproduction, installation safety, management analysis/engineering services, retail supply operations, supply activities, procurement operations, storage activities, transportation activities, physical security and police activities, laundry and dry cleaning, food services, and moral, welfare and recreation activities.

Real Property Services - costs include purchase of utilities, air conditioning and refrigeration, utility fuels, fire protection, crash rescue, snow and ice removal, entomological services, elevator maintenance/inspections, custodial services, refuse collection and disposal, sewer and waste systems, rental of real property, facility engineering and public works management, other installation engineering services and other annual service requirements performed in-house or by contract.

**Defense Health Program
FY 2001 Amended Budget Estimates**

II. Force Structure Summary:

	<u>FY1999</u>	<u>FY 2000</u>	<u>FY 2001</u>
Hospitals/Medical Centers	93	88	81
Clinics	519	516	514

III. Financial Summary (\$ in Thousands):

A. Sub-Activity Group

	<u>FY1999</u> <u>Actual</u>	<u>FY 2000</u>			<u>FY2001</u> <u>Estimate</u>
		<u>Budget</u> <u>Request</u>	<u>Appropriation</u>	<u>Current</u> <u>Estimate</u>	
Minor Construction - CONUS	32,795	27,617	27,617	27,520	41,972
Minor Construction - OCONUS	4,161	1,951	1,951	3,331	4,600
Maintenance and Repair - CONUS	235,535	288,636	288,636	222,591	276,912
Maintenance and Repair - OCONUS	49,641	51,278	51,278	43,774	49,416
Real Property Services - CONUS	188,171	207,457	207,457	204,451	198,854
Real Property Services - OCONUS	19,581	23,861	23,489	24,694	25,684
Base Communications - CONUS	34,228	44,308	44,308	38,845	40,838
Base Communications - OCONUS	4,227	4,296	4,296	4,250	4,388
Base Operations - CONUS	230,597	256,183	256,183	247,833	240,340
Base Operations - OCONUS	23,996	27,384	26,718	25,086	27,657
Environmental Conservation	83	3,257	3,257	1,438	680
Pollution Prevention	428	457	457	3,341	3,488
Environmental Compliance	23,721	20,158	20,158	19,498	21,199
Visual Information Systems	<u>7,148</u>	<u>7,799</u>	<u>7,799</u>	<u>7,363</u>	<u>7,815</u>
Total	854,312	964,642	963,604	874,014	943,843

**Defense Health Program
FY 2001 Amended Budget Estimates**

B. Reconciliation Summary:

	Change <u>FY2000/2000</u>	Change <u>FY2000/2001</u>
Baseline Funding	964,642	874,014
Congressional Adjustments	-1,038	0
Supplemental Request	0	0
Price Change	4,363	21,000
Functional Transfer	0	0
Program Changes	<u>-93,953</u>	<u>48,830</u>
Current Estimate	874,014	943,843

C. Reconciliation of Increases and Decreases

1. FY 2000 President's Budget Request	964,642
2. Congressional Adjustments - Foreign country currency adjustment	-1,038
3. FY 2000 Appropriation Enacted	963,604
4. Proposed Supplemental	0
5. Transfers In	0
6. Transfers Out	0
7. Price Growth	4,363
8. Program Increases	0
a. Annualization of New FY 2000 Program	0
b. One-Time FY 2000 Costs	
Restores foreign currency adjustment.	488
c. Program Growth in FY 2000	
Realignment of BASOPS requirements based on new or expanded facility beneficial occupancies and new environmental requirements.	1,939
9. Total Increases	2,427
10. Program Decreases	
a. Annualization of New FY 2000 Program	0
b. One-Time FY 2000 Costs	0
(1) Suppression of program to support critical shortages in direct patient care subactivity groups.	-53,988

**Defense Health Program
FY 2001 Amended Budget Estimates**

C. Reconciliation of Increases and Decreases (continued)

(2) Real Property Services/Communications - Reduces requirements based on closure of Howard AFB.	-451	
(3) Non-patient travel suppression.	-2,106	
(4) Information Management/Information Technology suppression.	-233	
(5) Real Property Maintenance - Suppression of resources to below established RPM funding guidance to support critical shortages in direct patient care subactivity groups.	-24,487	
(6) Government wide rescission.	-15,115	
11. Total Decreases		-96,380
12. Revised FY 2000 Estimate		874,014
13. Price Growth		21,000
14. Transfers In		0
15. Transfers Out		0
16. Program Increases		
a. Annualization of New FY 2000 Program	0	
b. One-Time FY 2001 Costs	0	
(1) Government wide rescission.	15,479	
(2) Restores non-patient travel suppression.	2,152	
(3) Restores Information Management/Information Technology suppression.	239	
c. Program Growth in FY 2001		
(1) Real Property Maintenance - Begins partial restoral of RPM based on previous suppression to support critical shortage in direct patient care budget subactivity groups.	53,899	
(2) Environmental project requirements.	519	
17. Total Increases		72,288

**Defense Health Program
FY 2001 Amended Budget Estimates**

C. Reconciliation of Increases and Decreases (continued)

18. Program Decreases		
a. One-Time FY 2001 Costs	0	
b. Annualization of FY 2000 Program Decreases	0	
c. Program Decreases in FY 2001		
(1) Base Operations - Reduces requirements based on closure of Howard AFB.	-359	
(2) Defense Finance Operations adjustments.	-23,100	
19. Total Decreases		-23,459
20. FY 2001 Budget Request		943,843

**Defense Health Program
FY 2001 Amended Budget Estimates**

IV. Personnel Summary

	<u>FY 1999</u>	<u>FY2000</u>	<u>FY2001</u>	<u>Change FY2000/2001</u>
<u>Active Military End Strength</u>				
Officer	878	761	752	-9
Enlisted	<u>429</u>	<u>2,145</u>	<u>2,135</u>	<u>-10</u>
Total Military	1,307	2,906	2,887	-19
 <u>Civilian End Strength</u>				
US Direct Hire	2,706	2,444	2,349	-95
Foreign National Direct Hire	57	51	51	<u>0</u>
Total Direct Hire	2,763	2,495	2,400	-95
Foreign National Indirect Hire	<u>75</u>	<u>78</u>	<u>78</u>	<u>0</u>
Total Civilians	2,838	2,573	2,478	-95
 (Reimbursable Included Above - memo)	0	0	0	0
 <u>Active Military Work Years</u>				
Officer	819	820	757	-63
Enlisted	<u>1,346</u>	<u>1,287</u>	<u>2,140</u>	<u>853</u>
Total Military	2,165	2,107	2,897	790
 <u>Civilian Work Years</u>				
US Direct Hire	2,740	2,421	2,323	-98
Foreign National Direct Hire	49	51	51	<u>0</u>
Total Direct Hire	2,789	2,472	2,374	-98
Foreign National Indirect Hire	<u>77</u>	<u>75</u>	<u>75</u>	<u>0</u>
Total Civilians	2,866	2,547	2,449	-98
 (Reimbursable Included Above - memo)	0	0	0	0

Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates
Operation Maintenance
Summary of Price and Program Change
(\$ in Thousands)

Line	Summary	FY1999	Foreign			Program	FY 2000	Line	Summary	FY2000	Foreign			Program	FY 2001
		Program	Currency	Price	Growth		Program			Program	Currency	Price	Growth		Program
308	Travel of Persons	152,266	-19	1.20%	1,827	-20,952	133,122	308	Travel of Persons	133,122	-15	1.50%	1,997	16,116	151,219
399	Total Travel	152,266	-19		1,827	-20,952	133,122	399	Total Travel	133,122	-15		1,997	16,116	151,219
401	DFSC Fuel	19,619	0	-25.30%	-4,964	735	15,390	401	DFSC Fuel	15,390	0	62.90%	9,680	-18,180	6,890
402	Service Fund Fuel	833	0	-25.30%	-211	-445	178	402	Service Fund Fuel	178	0	62.90%	112	32	321
411	Army Sup & Mat	7,586	0	1.60%	121	9,054	16,761	411	Army Sup & Mat	16,761	0	-4.20%	-704	-4	16,053
412	Navy Sup & Mat	2,099	0	-4.30%	-90	-759	1,250	412	Navy Sup & Mat	1,250	0	15.51%	194	12	1,455
414	AF Sup & Mat	269	0	4.10%	11	-53	227	414	AF Sup & Mat	227	0	6.40%	15	0	242
415	DLA Sup & Mat	55,680	0	4.70%	2,617	-12,723	45,574	415	DLA Sup & Mat	45,574	0	4.50%	2,051	14	47,639
416	GSA Sup & Mat	2,350	0	1.20%	28	9,525	11,903	416	GSA Sup & Mat	11,903	0	1.50%	179	0	12,081
417	Local Proc Sup & Mat	244,356	-1,895	3.72%	9,016	23,624	275,100	417	Local Proc Sup & Mat	275,100	-2,587	3.66%	9,967	-1,458	281,022
499	Total Sup & Mat	332,792	-1,895		6,529	28,957	366,382	499	Total Sup & Mat	366,382	-2,587		21,492	-19,584	365,704
502	Army Fund Equipt	2,667	0	1.60%	43	787	3,497	502	Army Fund Equipt	3,497	0	-4.20%	-147	0	3,350
503	Navy Fund Equipt	373	0	-4.30%	-16	-40	317	503	Navy Fund Equipt	317	0	15.51%	49	4,000	4,367
505	AF Fund Equipt	44,175	0	4.10%	1,811	-11,285	34,701	505	AF Fund Equipt	34,701	0	6.40%	2,221	1,213	38,135
506	DLA Fund Equipt	98	0	4.70%	5	485	588	506	DLA Fund Equipt	588	0	4.50%	26	32	646
507	GSA Fund Equipt	4,237	0	1.20%	51	79	4,367	507	GSA Fund Equipt	4,367	0	1.50%	65	0	4,432
599	Total Fund Equipt	51,550	0		1,893	-9,973	43,470	599	Total Fund Equipt	43,470	0		2,215	5,245	50,930
602	Army Depot Cmd Maint	8	0	5.90%	0	0	8	602	Army Depot Cmd Maint	8	0	7.10%	1	0	9
611	Naval Surface War Ctr	1,421	0	3.50%	50	47	1,518	611	Naval Surface War Ctr	1,518	0	2.80%	43	0	1,561
615	Data Automat Ctr Navy	0	0	0.00%	0	53	53	615	Data Automat Ctr Navy	53	0	84.00%	44	0	97
620	Fleet Aux Ships Navy	0	0		0	0	0	620	Fleet Aux Ships Navy	0	0	0.00%	0	0	0
630	Naval Rsch Lab	6	0	2.70%	0	3	9	630	Naval Rsch Lab	9	0	-3.00%	0	0	9
631	Naval Civil Engrn Ctr	1,152	0	3.10%	36	127	1,315	631	Naval Civil Engrn Ctr	1,315	0	-2.10%	-28	0	1,287
633	Naval Pub & Prnt Svc	6,388	0	-0.60%	-38	588	6,938	633	Naval Pub & Prnt Svc	6,938	0	11.50%	798	0	7,736
634	Nav Pub Wrks Ctr: Utiliti	39,604	0	-0.80%	-317	694	39,981	634	Nav Pub Wrks Ctr: Utiliti	39,981	0	1.80%	720	1,572	42,273
635	Nav Pub Wrks Ctr: Pub Wrk	74,385	0	1.90%	1,413	-26,528	49,270	635	Nav Pub Wrks Ctr: Pub Wrk	49,270	0	2.00%	985	0	50,255
637	Naval Shipyards	3	0	8.30%	0	2	5	637	Naval Shipyards	5	0	24.60%	1	0	7
653	Airlift Svcs Trng & Ops	18,811	0	0.00%	0	736	19,547	653	Airlift Svcs Trng & Ops	19,547	0	0.00%	0	0	19,547
671	Communications Svc	9,407	0	16.20%	1,524	-1,107	9,824	671	Communications Svc	9,824	0	-4.00%	-393	0	9,431
673	Def Finance & Acct Svc	65,142	0	1.20%	782	-71	65,852	673	Def Finance & Acct Svc	65,852	0	4.90%	3,227	-23,015	46,064
679	Cost Reimbursible Svc	6	0	1.20%	0	353	359	679	Cost Reimbursible Svc	359	0	1.50%	5	0	365
699	Total Purchases	216,333	0		3,450	-25,103	194,680	699	Total Purchases	194,680	0		5,403	-21,443	178,640

Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates
Operation Maintenance
Summary of Price and Program Change
(\$ in Thousands)

701	MAC Cargo	30	0	0.00%	0	-30	0	701	MAC Cargo	0	0	0.00%	0	0	0
702	MAC SAAM	0	0	0.00%	0	0	0	702	MAC SAAM	0	0	0.00%	0	0	0
711	MSC Cargo	2	0	0.00%	0	6	8	711	MSC Cargo	8	0	0.00%	0	0	8
721	MTMC Port Handling	0	0	0.00%	0	9	9	721	MTMC Port Handling	9	0	0.00%	0	0	9
725	MTMC Other	204	0	0.00%	0	-204	0	725	MTMC Other	0	0	0.00%	0	0	0
771	Commercial Transportation	7,366	-122	1.20%	87	-564	6,766	771	Commercial Transportation	6,766	-166	1.50%	99	-157	6,542
799	Total Transportation	7,602	-122		87	-783	6,783	799	Total Transportation	6,783	-166		99	-157	6,559
9XX	Civ Pay Reimburs Host	1,757,597	19	4.50%	79,093	-20,425	1,816,284	9XX	Civ Pay Reimburs Host	1,816,284	26	3.98%	72,345	-31,533	1,857,122
901	Foreign Nat Ind Hire	40,128	-2,722	4.50%	1,683	9,504	48,593	901	Foreign Nat Ind Hire	48,593	-3,716	3.98%	1,788	3,440	50,105
902	Separation Liability	5,840	0	4.50%	263	-6,056	47	902	Separation Liability	47	0	3.98%	2	-21	28
912	Rental Pay to GSA	8,871	0	1.20%	106	190	9,168	912	Rental Pay to GSA	9,168	0	1.50%	138	36	9,342
913	Purchased Utilities	66,393	0	1.20%	797	-27	67,162	913	Purchased Utilities	67,162	0	1.50%	1,007	971	69,141
914	Purchased Communica	40,107	0	1.20%	481	1,513	42,101	914	Purchased Communica	42,101	0	1.50%	632	2,068	44,801
915	Rents non GSA	28,602	-95	1.20%	342	-4,631	24,218	915	Rents non GSA	24,218	-130	1.50%	361	0	24,449
917	Postal Svcs	1,538	0	1.50%	23	231	1,793	917	Postal Svcs	1,793	0	0.00%	0	0	1,793
920	Supplies & Mat	349,809	-335	3.14%	10,964	-5,413	355,025	920	Supplies & Mat	355,025	-457	3.46%	12,257	12,193	379,018
921	Printing & Reproduct	5,942	0	1.20%	71	731	6,745	921	Printing & Reproduct	6,745	0	1.50%	101	0	6,846
922	Equipt Maint Contract	79,878	53	1.20%	959	5,337	86,227	922	Equipt Maint Contract	86,227	55	1.50%	1,294	0	87,577
923	Facility Maint Contract	126,462	0	1.20%	1,518	1,193	129,172	923	Facility Maint Contract	129,172	0	1.50%	1,938	1,465	132,575
924	Pharmacy	817,949	216	4.00%	32,727	152,088	1,002,979	924	Pharmacy	1,002,979	0	4.10%	41,122	15,509	1,059,610
925	Equipt Purchases	143,972	49	3.27%	4,708	14,511	163,240	925	Equipt Purchases	163,240	33	3.23%	5,266	25,710	194,249
926	Overseas Purchases	1,667	9	1.60%	27	332	2,035	926	Overseas Purchases	2,035	13	1.60%	33	0	2,081
930	Other Depot Maint	36,836	0	1.20%	442	-2,010	35,269	930	Other Depot Maint	35,269	0	1.50%	529	0	35,798
931	Contract Consultants	1,493	0	1.20%	18	-68	1,443	931	Contract Consultants	1,443	0	1.50%	22	0	1,465
932	Mgmt & Prof Spt Svc	13,385	0	1.20%	161	-28	13,518	932	Mgmt & Prof Spt Svc	13,518	0	1.50%	203	26	13,746
933	Studies Analysis Eval	39,747	0	1.20%	477	-517	39,707	933	Studies Analysis Eval	39,707	0	1.50%	596	-3	40,300
934	Engineering Tech Svc	841	0	1.20%	10	35	886	934	Engineering Tech Svc	886	0	1.50%	13	0	899
937	Fuel	340	0	1.60%	5	167	513	937	Fuel	513	0	1.60%	8	0	521
988	Grants	17,621	0	1.20%	211	2,291	20,123	988	Grants	20,123	0	1.50%	302	0	20,425
989	Other Contracts	5,676,165	-335	3.73%	211,623	136,857	6,024,309	989	Other Contracts	6,024,309	-726	3.85%	231,613	123,724	6,378,920
998	Other Costs	61,980	0	1.61%	997	29,589	92,565	998	Other Costs	92,565	0	1.89%	1,752	-13,636	80,681
999	Total Purchases	9,323,164	-3,141		347,706	315,394	9,983,122	999	Total Purchases	9,983,122	-4,902		373,322	139,949	10,491,490
9999	TOTAL	10,083,706	-5,177		361,491	287,539	10,727,559	9999	TOTAL	10,727,559	-7,670		404,528	120,126	11,244,543

**Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates
Procurement Program**

Appropriation: Procurement (\$000)

Date: January 21, 2000

<u>Line No.</u>	<u>Item Nomenclature</u>	<u>FY99</u>	<u>FY00</u>	<u>FY01</u>
	Medical Equipment - Replacement/Modernization	375,043	308,261	264,968
	Medical Equipment - New Facility Outfitting	27,917	13,997	25,038

Remarks:

The Defense Health Program (DHP) procurement budget represents a critical element of the Department's capability to provide properly trained medical personnel and high quality, cost-effective health care services for the eligible beneficiary population. Funds identified in this submission support the acquisition of equipment for medical and dental treatment facilities in the Army, Navy, and Air Force. Those facilities range from sophisticated tertiary care medical centers to outpatient and dental clinics, physiological training units, and the maintenance and operation of a worldwide aeromedical evacuation system. This equipment is essential to provide high quality health care services that meet accepted standards of practice. The required safety standards, related laws and regulatory requirements from credentialing and health care standard setting organizations markedly influence the requirement for, and cost of, replacement and modernization of medical equipment. Without the identified resources, the DHP's capability to meet the Department's medical requirements would be severely degraded.

**Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates
Procurement Program**

The Department, through the DHP, procures a wide variety of medical items ranging from surgical, radiographic, and pathologic apparatus to medical administrative support equipment. The items that will be procured by the resources identified in this schedule underwent a thorough investment equipment justification process. The identification and justification process begins at the medical treatment facility (MTF) level. From there, the requirements are reviewed by functional specialty advisor groups (Surgeon General level), medical logistics experts (Service component), Health Care Support Offices (geographically oriented), and ultimately the Defense Health Council (Tri-Service level). At each level, the requirements are reviewed for necessity, value, and utility of investment.

The needs fulfilled by the DHP's procurement budget are diverse. Investment in equipment is essential to support the Department's effort to reduce purchased healthcare costs in the private sector by retaining beneficiaries, to every extent possible, within military MTFs. Funds are used for modernization of current operations and to replace the aging real property support system in existing facilities. This program also supports hardware requirements essential to the deployment of the Composite Health Care System (CHCS). The CHCS is a comprehensive medical information system designed to provide automated support to MTFs worldwide. The system is composed of integrated modules that, activated either together or independently, support high-volume work areas within MTFs and enhance communication between supported areas. The requirements established by Public Law 100-582 (Medical Waste Tracking Act of 1988) have also placed additional demands on the DHP procurement budget.

Development of an effective equipment replacement and modernization program is a complicated process. In comparison to other functional areas, the useful life of medical equipment is relatively short. As the current inventory reaches obsolescence, replacements are normally more sophisticated, more technologically advanced, and more expensive. To ensure that the Department is procuring the appropriate technology for deployment in the most useful locations, we incorporate functional expertise from each echelon of the Department's medical structure into the budget development process. This submission represents a balanced, resource-constrained approach to the DHP's investment equipment requirements.

**Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates
Procurement Program**

BUDGET ITEM JUSTIFICATION SHEET						DATE: Jan 2000	
APPROPRIATION / BUDGET ACTIVITY : 97*0130			P-1 ITEM NOMENCLATURE: Replacement/Modernization				
	FY99	FY00	FY01	FY02	FY03	FY04	FY05
Quantity							
Cost (in \$000)	375,043	308,261	264,968	231,242	229,014	189,786	186,417
<p>REMARKS</p> <p>The FY 99-05 replacement/modernization element of the DHP's procurement budget funds the acquisition of commercially available equipment required to support health care delivery (including dental care), health care training, and other health care activities and programs in 78 hospitals and 514 clinics worldwide. It provides for the procurement and installation of investment equipment to replace worn-out, obsolete, or uneconomically repairable equipment and for the acquisition of new technologies. The funding profile reflects a significant accounting change. Beginning in FY 01, development costs for information systems previously accounted for under the Procurement appropriation have been transferred to the Research, Development, Testing and Evaluation (RDT&E) appropriation. The funding is captured in program element 0605013HP.</p> <p>The most significant investments will be in the radiographic, surgical, and information systems functional areas. The driving factors behind these investments are the rapid technological advancements in these areas and the need for DoD's health care delivery system to maintain the standards of care set by the civilian health care sector. A significant portion of the funding allocated to information systems is for the Composite Health Care System (CHCS).</p> <p>Financing an adequate equipment acquisition budget is critical in retaining the Department's medical workload in-house and controlling escalating purchased healthcare O&M costs in the private sector. The items supported by this budget are the result of an extensive investment equipment justification process and are necessary to provide properly trained medical department personnel and high quality, cost-effective health care services for the eligible beneficiary population.</p>							

**Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates
Procurement Program**

BUDGET ITEM JUSTIFICATION SHEET						DATE: Jan 2000	
APPROPRIATION / BUDGET ACTIVITY : 97*0130			P-1 ITEM NOMENCLATURE: New Facility Outfitting				
	FY99	FY00	FY01	FY02	FY03	FY04	FY05
Quantity							
Cost (in \$000)	27,917	13,997	25,038	10,408	4,682	8,138	8,755
<p>REMARKS</p> <p>The FY 99-05 new facility outfitting element of the DHP's procurement budget funds the acquisition and installation of commercially available equipment to furnish new and expanded facilities being completed under military construction projects in support of dental services, health care delivery, health care training, and other health care activities. The items range from dental, surgical, radiographic, and pathologic equipment to medical administrative support equipment. The FY 1999-2005 new facility outfitting program provides critical support to the DHP's military medical construction program.</p> <p>The FY 2000 new facility outfitting request provides funding for only the minimum essential equipment necessary to support Congressionally reviewed and approved military medical construction projects. The FY 2003-2005 new facility outfitting request has been reduced to reflect the elimination of four military construction (MILCON) projects.</p>							

Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates
EXHIBIT R-1, RDT&E PROGRAMS

Appropriation: RDT&E, Defense Health Program

Date: Jan 00

R-1 Line <u>Item No</u>	Program Element <u>Number</u>	<u>Item</u>	Budget <u>Activity</u>	TOA \$ in Millions		
				FY 99 <u>Cost</u>	FY 00 <u>Cost</u>	FY 01 <u>Cost</u>
1	0603115	Biomedical Technology	3	38.4	0.0	0.0
2	0603115	Biomedical Technology	3	0.0	270.2	0.0
3	0650135	Information Technology Development	3	0.0	0.0	65.9

**Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates
Exhibit R-2, RDTE Budget Item Justification**

Date: Jan 00

Appropriation/Budget Activity
Defense Health Program/BA-3

R-1 Item Nomenclature:
Biomedical Technology - 0603115

COST (\$ in Millions)	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05
Total PE Cost	38.4	270.2	0.0	0.0	0.0	0.0	0.0
Ovarian Cancer Research	10.0						
Nervous System Studies	4.0						
Proton Beam Scanning Technology	4.0						
Molecular Genetics Research	3.0						
Epidermolysis Bullosa	1.0						
Post-Polio Syndrome Research	1.0						
General Medical Research	15.4	24.6					
Breast Cancer Research		171.9					
Prostate Cancer Research		73.7					

A. Mission Description and Budget Item Justification:

The programs reflect Congressionally mandated requirements. They were established as part of the Defense Health Program, as required by the Fiscal Year 1999 and 2000 National Defense Appropriation Act, for specific medical RDT&E projects. These unique one-time projects were not programmed by the Department for FY 1999 or FY 2000. It is not anticipated that any programming action will occur for future budget years. FY 2000 reflects the net program amount after the government wide rescission of \$4.8 million.

**Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates
Exhibit R-2, RDTE Budget Item Justification**

Date: Jan 00

Appropriation/Budget Activity	R-1 Item Nomenclature:						
Defense Health Program/BA-3	Information Technology Development - 0650135						
COST (\$ in Millions)	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05
Total PE Cost	0	0	65.9	50.6	57.1	32.9	28.2
Composite Health Care System II	0	0	14.5	11.1	20.3	12.4	7.3
Corporate Executive Information System	0	0	6.5	0	9.2	0	0
Defense Medical Logistics Standard Supply System	0	0	8	5.5	5.5	0	0
Health Standard Resources System	0	0	8.3	3	5.6	0	0
Theater Medical Information Program	0	0	14.2	16.2	14.5	18.5	18.9
TRANSCOM Regulation and Command and Control Evacuation System	0	0	12.4	12.8	0	0	0
CIO Support Activities	0	0	2	2	2	2	2

A. Mission Description and Budget Item Justification:

The program is a newly established RDT&E requirement for FY 2001 and out-years. The program results from a funding realignment within the Department to fund information technology development, test and evaluation efforts with RDT&E funds. Funds have been transferred to Defense Health Program (DHP) RDT&E from DHP Operation and Maintenance and Other Procurement.

The goal of the MHS Information Management/Information Technology (IM/IT) Program is to support military medical readiness. The MHS IM/IT Strategic Plan, directly linked to the overall MHS Strategic Plan, outlines the MHS IM/IT enterprise strategy to ensure IT investments support the MHS mission. The enterprise strategy incorporates reengineering and business process improvements, use of innovative acquisition techniques and modular development, integration and/or elimination of legacy systems.

**Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates
Exhibit R-2, RDTE Budget Item Justification**

Date: Jan 00

A. Mission Description and Budget Item Justification (continued):

The above programs align with target migration information systems that are designated as Major Automated Information Systems (MAIS). These are the Composite Health Care System II (CHCS II), the Defense Medical Logistics Standard Support (DMLSS) automated information system, the Health Standard Resources System (HSRS), and the Corporate Executive Information System (CEIS). The Theater Medical Information Program (TMIP) and the Transportation Command (TRANSCOM) Regulating and Command and Control Evacuation System (TRAC2ES) are also designated MAIS. These systems support the four major health functional Program Areas that include: Clinical, Medical Logistics, Medical Resources and Executive Information/Decision Support. Interfacing with these are two additional IT Program Areas, the Theater Program Area, supporting theater-wide health information requirements, and the Infrastructure Program Area.

B. Program Change Summary:

Initial submission resulting from establishing the new program as described above. Accordingly, no program changes are noted.

C. Other Program Funding Summary:

	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04	FY 05
DHP Operation & Maintenance							
BA-1, PE 0807791	262.4	313.0	326.8	363.2	381.5	400.4	416.3
DHP Other Procurement							
BA-2, PE 0807721	205.9	178.4	111.3	90.7	79.4	38.8	30.8

**Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates
SUMMARY
Cost of Medical Activities**

**Defense Health Program Funding Summary
(Dollars in Thousands)**

	FY 1999 <u>Actual</u>	FY 2000 <u>Estimate</u>	FY 2001 <u>Estimate</u>	FY99-00 <u>\$</u>	Change <u>(%)</u>	FY00-01 <u>\$</u>	Change <u>(%)</u>
<u>Operation and Maintenance</u>							
In-House Care	3,394,946	3,759,346	3,955,163	364,400	10.73%	195,817	5.21%
Private Sector Care	4,169,056	4,393,848	4,659,011	224,792	5.39%	265,163	6.03%
Consolidated Health Support	915,002	894,220	861,024	-20,782	-2.27%	-33,196	-3.71%
Information Management	262,422	313,021	326,806	50,599	19.28%	13,786	4.40%
Management Activities	176,120	178,939	197,123	2,819	1.60%	18,183	10.16%
Education and Training	311,849	314,171	301,573	2,322	0.74%	-12,598	-4.01%
Base Operations/Communications	<u>854,312</u>	<u>874,014</u>	<u>943,843</u>	<u>19,702</u>	<u>2.31%</u>	<u>69,829</u>	<u>7.99%</u>
Subtotal Operation and Maintenance	10,083,707	10,727,559	11,244,543	643,852	6.39%	516,984	4.82%
<u>Procurement</u>							
Dental Equipment	0	588	600	588	0.00%	12	2.04%
Food Ser, Preventive Med, Pharmacy Equip	1,210	2,632	1,900	1,422	117.52%	-732	-27.81%
Medical Information System Equipment	260,756	200,382	146,601	-60,374	-23.15%	-53,781	-26.84%
Medical Patient Care Administrative Equip	9,935	8,508	6,300	-1,427	-14.36%	-2,208	-25.95%
Medical/Surgical Equipment	27,903	18,658	22,813	-9,245	-33.13%	4,155	22.27%
Other Equipment	8,004	8,351	10,462	347	4.34%	2,111	25.28%
Pathology/Lab Equipment	6,100	5,610	8,950	-490	-8.03%	3,340	59.54%
Radiographic Equipment	<u>89,052</u>	<u>77,529</u>	<u>92,380</u>	<u>-11,523</u>	<u>-12.94%</u>	<u>14,851</u>	<u>19.16%</u>
Subtotal Procurement	402,960	322,258	290,006	-80,702	-20.03%	-32,252	-10.01%
<u>Research, Development, Test and Evaluation</u>							
Congressionally Directed Programs	38,431	270,182	0	231,751	603.03%	-270,182	-100.00%
Information Management/Information Tech	0	0	<u>65,880</u>	0	0.00%	<u>65,880</u>	<u>100.00%</u>
Subtotal Research, Dev, Test and Eval	38,431	270,182	65,880	231,751	603.03%	-204,302	-75.62%
Total Defense Health Program	10,525,098	11,319,999	11,600,429	794,901	7.55%	280,430	2.48%

**Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates
SUMMARY
Cost of Medical Activities**

Operation and Maintenance Funding by Subactivity Group

(Dollars in Thousands)

	FY 1999 <u>Actual</u>	FY 2000 <u>Estimate</u>	FY 2001 <u>Estimate</u>	FY99-00 Change		FY00-01 Change	
				\$	(%)	\$	(%)
<u>In-House Care</u>							
0807700 MEDCENS, Hospitals & Clinics (CONUS)	2,896,829	3,257,415	3,444,027	360,586	12.45%	186,612	5.73%
0807900 MEDCENS, Hospitals & Clinics (OCONUS)	285,777	284,366	287,571	-1,411	-0.49%	3,205	1.13%
0807715 Dental Care Activities - CONUS	166,407	174,081	178,235	7,674	4.61%	4,154	2.39%
0807915 Dental Care Activities - OCONUS	<u>45,933</u>	<u>43,484</u>	<u>45,330</u>	<u>-2,449</u>	<u>-5.33%</u>	<u>1,846</u>	<u>4.25%</u>
Subtotal In-House Care	3,394,946	3,759,346	3,955,163	364,400	10.73%	195,817	5.21%
<u>Private Sector Care</u>							
0807723 Managed Care Support Contracts	2,901,803	3,113,600	3,379,199	211,797	7.30%	265,599	8.53%
0807712 CHAMPUS	582,286	610,270	580,849	27,984	4.81%	-29,421	-4.82%
0807713 Care in Non-Defense Facilities	<u>684,967</u>	<u>669,978</u>	<u>698,963</u>	<u>-14,989</u>	<u>-2.19%</u>	<u>28,986</u>	<u>4.33%</u>
Subtotal Private Sector Care	4,169,056	4,393,848	4,659,011	224,792	5.39%	265,163	6.03%
<u>Consolidated Health Support</u>							
0801720 Examining Activities	28,801	31,575	34,018	2,774	9.63%	2,443	7.74%
0807714 Other Health Activities	340,278	300,002	312,681	-40,276	-11.84%	12,679	4.23%
0807705 Military Public/Occupational Health	206,197	203,507	214,365	-2,690	-1.30%	10,858	5.34%
0807760 Veterinary Services	15,603	15,846	16,626	243	1.56%	780	4.92%
0807724 Military Unique - Other Medical	196,940	222,117	216,054	25,177	12.78%	-6,063	-2.73%
0807725 Aeromedical Evacuation System	83,235	76,324	20,062	-6,911	-8.30%	-56,262	-73.71%
0807785 AFIP	<u>43,948</u>	<u>44,848</u>	<u>47,218</u>	<u>900</u>	<u>2.05%</u>	<u>2,370</u>	<u>5.28%</u>
Subtotal Consolidated Health Support	915,002	894,220	861,024	-20,782	-2.27%	-33,196	-3.71%
<u>Information Management</u>							
0807791 Central Information Management	262,422	313,021	326,806	50,599	19.28%	13,786	4.40%
<u>Management Activities</u>							
0807798 Management Headquarters	34,859	34,102	42,537	-757	-2.17%	8,435	24.73%
0807709 TRICARE Management Activity	<u>141,261</u>	<u>144,837</u>	<u>154,586</u>	<u>3,576</u>	<u>2.53%</u>	<u>9,749</u>	<u>6.73%</u>
Subtotal Management Activities	176,120	178,939	197,123	2,819	1.60%	18,183	10.16%

**Defense Health Program
Fiscal Year (FY) 2001 Budget Estimates
SUMMARY
Cost of Medical Activities**

**Operation and Maintenance Funding by Subactivity Group
(Dollars in Thousands)**

	FY 1999 <u>Actual</u>	FY 2000 <u>Estimate</u>	FY 2001 <u>Estimate</u>	FY99-00 Change		FY00-01 Change	
				\$	(%)	\$	(%)
<u>Education and Training</u>							
0806722 HPSP	89,900	91,886	97,635	1,986	2.21%	5,749	6.26%
0806721 USUHS	77,081	85,497	67,858	8,416	10.92%	-17,639	-20.63%
0806761 Other Education and Training	<u>144,868</u>	<u>136,789</u>	<u>136,080</u>	<u>-8,079</u>	<u>-5.58%</u>	<u>-709</u>	<u>-0.52%</u>
Subtotal Education and Training	311,849	314,171	301,573	2,322	0.74%	-12,598	-4.01%
<u>Base Operations/Communications</u>							
0807776 Minor Construction - CONUS	32,795	27,520	41,972	-5,275	-16.08%	14,452	52.51%
0807976 Minor Construction - OCONUS	4,161	3,331	4,600	-830	-19.95%	1,269	38.10%
0807778 Maintenance and Repair - CONUS	235,535	222,591	276,912	-12,945	-5.50%	54,322	24.40%
0807978 Maintenance and Repair - OCONUS	49,641	43,774	49,416	-5,868	-11.82%	5,643	12.89%
0807779 Real Property Services - CONUS	188,171	204,451	198,854	16,280	8.65%	-5,597	-2.74%
0807979 Real Property Services - OCONUS	19,581	24,694	25,684	5,113	26.11%	990	4.01%
0807795 Base Communications - CONUS	34,228	38,845	40,838	4,617	13.49%	1,993	5.13%
0807995 Base Communications - OCONUS	4,227	4,250	4,388	23	0.54%	138	3.25%
0807796 Base Operations - CONUS	230,597	247,833	240,340	17,236	7.47%	-7,493	-3.02%
0807996 Base Operations - OCONUS	23,996	25,086	27,657	1,090	4.54%	2,571	10.25%
0807753 Environmental Conservation	83	1,438	680	1,355	1632.53%	-758	-52.71%
0807754 Pollution Prevention	428	3,341	3,488	2,913	680.61%	147	4.40%
0807756 Environmental Compliance	23,721	19,498	21,199	-4,223	-17.80%	1,701	8.72%
0807790 Visual Information Systems	<u>7,148</u>	<u>7,363</u>	<u>7,815</u>	<u>215</u>	<u>3.01%</u>	<u>452</u>	<u>6.14%</u>
Subtotal Base Ops/Comm	854,312	874,014	943,843	19,702	2.31%	69,829	7.99%
TOTAL DHP - OPERATION AND MAINTENANCE	10,083,707	10,727,559	11,244,543	643,852	6.39%	516,984	4.82%

**Defense Health Program
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Cost of Medical Activities**

**Operation and Maintenance Funding by Subactivity Group
(Dollars in Thousands)**

	FY 1999 <u>Actual</u>	FY 2000 <u>Estimate</u>	FY 2001 <u>Estimate</u>	FY99-00 <u>\$</u>	Change <u>(%)</u>	FY00-01 <u>\$</u>	Change <u>(%)</u>
<u>Special Interest OEM Items</u>							
Designated Providers	331,000	345,100	355,500	14,100	4.09%	10,400	3.01%
<u>0807714 Other Health Activities</u>							
Regional Management (Lead Agents, HO Offices, Regional Medical Commands)	55,524	55,117	55,536	-407	-0.73%	419	0.76%
Central Medical Laboratories	1,339	1,361	1,411	22	1.64%	50	3.67%
Army Medical Field Procurement Offices and Central Design Activities)	6,811	6,327	6,674	-484	-7.11%	347	5.48%
Patient Related Travel	31,157	29,699	31,698	-1,458	-4.68%	1,999	6.73%
Other	<u>245,447</u>	<u>207,498</u>	<u>217,362</u>	<u>-37,949</u>	<u>-15.46%</u>	<u>9,864</u>	<u>4.75%</u>
Total Other Health Activities	340,278	300,002	312,681	-40,276	-11.84%	12,679	4.23%
<u>0807724 Military Unique Requirements - Other Medical</u>							
Physiological Training Units	11,045	11,228	11,415	183	1.66%	187	1.67%
Drug Abuse Detection Laboratories	0	0	0	0			
Military Blood Program Agency	6,494	6,766	7,315	272	4.19%	549	8.11%
Optical Repair/Fabrication Laboratories	11,555	11,362	12,024	-193	-1.67%	662	5.83%
Readiness Activities (including Medical Wartime Hospital Integration Office)	71,449	63,339	65,023	-8,110	-11.35%	1,684	2.66%
Walter Reed Army Institute of Research	902	7,144	7,522	6,242	692.02%	378	5.29%
Other	<u>95,495</u>	<u>122,278</u>	<u>112,755</u>	<u>26,783</u>	<u>28.05%</u>	<u>-9,523</u>	<u>-7.79%</u>
Total Military Unique Requirements - Other Medical	196,940	222,117	216,054	25,177	12.78%	-6,063	-2.73%
Per Capita Cost Per User (RAPS database)	2,592	3,043	2,772	451	14.81%	-271	-8.91%

**Defense Health Program
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**Defense Health Program Funding Summary
(Dollars in Thousands)**

	FY 1999 <u>Actual</u>	FY 2000 <u>Estimate</u>	FY 2001 <u>Estimate</u>	FY99-00 <u>Change</u>		FY00-01 <u>Change</u>	
				\$	(%)	\$	(%)
<u>0807720 Initial Outfitting</u>							
Dental Equipment	0	0	0	0	0.00%	0	0.00%
Food Ser, Preventive Med, Pharmacy Equip	0	150	0	150	0.00%	-150	-100.00%
Medical Information System Equipment	8,196	2,900	9,958	-5,296	-64.62%	7,058	243.38%
Medical Patient Care Administrative Equip	1,170	300	300	-870	-74.36%	0	0.00%
Medical/Surgical Equipment	5,051	1,056	3,680	-3,995	-79.09%	2,624	248.48%
Other Equipment	1,300	516	750	-784	-60.31%	234	45.35%
Pathology/Lab Equipment	500	696	1,400	196	39.20%	704	101.15%
Radiographic Equipment	<u>11,700</u>	<u>8,379</u>	<u>8,950</u>	<u>-3,321</u>	<u>-28.38%</u>	<u>571</u>	<u>6.81%</u>
Subtotal Initial Outfitting	27,917	13,997	25,038	-13,920	-49.86%	11,041	78.88%
<u>0807721 Replacement & Modernization</u>							
Dental Equipment	0	588	600	588	0.00%	12	2.04%
Food Ser, Preventive Med, Pharmacy Equip	1,210	2,482	1,900	872	72.07%	-582	-23.45%
Medical Information System Equipment	252,560	197,482	136,643	-42,578	-16.86%	-60,839	-30.81%
Medical Patient Care Administrative Equip	8,765	8,208	6,000	2,256	25.74%	-2,208	-26.90%
Medical/Surgical Equipment	22,852	17,602	19,133	-3,078	-13.47%	1,531	8.70%
Other Equipment	6,704	7,835	9,712	1,646	24.55%	1,877	23.96%
Pathology/Lab Equipment	5,600	4,914	7,550	1,748	31.21%	2,636	53.64%
Radiographic Equipment	<u>77,352</u>	<u>69,150</u>	<u>83,430</u>	<u>5,410</u>	<u>6.99%</u>	<u>14,280</u>	<u>20.65%</u>
Subtotal Replacement & Modernization	375,043	308,261	264,968	-66,782	-17.81%	-43,293	-14.04%
Total - Procurement	402,960	322,258	290,006	-80,702	-20.03%	-32,252	-10.01%

**Defense Health Program
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	<u>FY 1999 Actual</u>		<u>FY 2000 Estimate</u>		<u>FY 2001 Estimate</u>		<u>FY00-01 Change</u>	
	End	Avg	End	Avg	End	Avg	End	Avg
	<u>Strength</u>	<u>Strength</u>	<u>Strength</u>	<u>Strength</u>	<u>Strength</u>	<u>Strength</u>	<u>Strength</u>	<u>Strength</u>
<u>Active Military - Assigned to DHP</u>								
<u>Army Total</u>								
Officers	11,511	11,711	11,028	11,270	11,019	11,024	-9	-246
Enlisted	17,051	17,622	15,400	16,226	15,398	15,399	-2	-827
<u>Navy Total</u>								
Officers	9,664	9,711	9,704	9,684	9,678	9,691	-26	7
Enlisted	20,740	21,504	21,687	21,214	21,850	21,769	163	555
<u>Air Force Total</u>								
Officers	11,863	12,587	11,962	11,913	11,906	11,934	-56	22
Enlisted	23,689	25,278	22,627	23,158	22,554	22,591	-73	-568
<u>Total Active Duty</u>								
Officers	33,038	34,009	32,694	32,866	32,603	32,649	-91	-218
Enlisted	61,480	64,403	59,714	60,597	59,802	59,758	88	-839
<u>Active Military - Non DHP Medical</u>								
<u>Army Total</u>								
Officers	2,712	2,756	3,282	2,997	3,293	3,288	11	291
Enlisted	13,126	14,534	14,840	13,983	14,840	14,840	0	857
<u>Navy Total</u>								
Officers	1,902	1,937	1,877	1,890	1,875	1,876	-2	-14
Enlisted	8,375	8,495	8,416	8,396	8,418	8,417	2	21
<u>Air Force Total</u>								
Officers	820	856	852	836	838	845	-14	9
Enlisted	809	853	823	816	812	818	-11	2
<u>Total Active Duty</u>								
Officers	5,434	5,549	6,011	5,723	6,006	6,009	-5	286
Enlisted	22,310	23,882	24,079	23,195	24,070	24,075	-9	880

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	<u>FY 1999 Actual</u>		<u>FY 2000 Estimate</u>		<u>FY 2001 Estimate</u>		<u>FY00-01 Change</u>	
	End		End		End		End	
	<u>Strength</u>	<u>FTEs</u>	<u>Strength</u>	<u>FTEs</u>	<u>Strength</u>	<u>FTEs</u>	<u>Strength</u>	<u>FTEs</u>
<u>I. Civilian Personnel - US Direct Hire</u>								
Army	22,784	22,271	21,172	21,172	20,441	20,705	-731	-467
Navy	9,747	9,795	10,190	10,067	9,957	9,833	-233	-234
Air Force	5,391	5,444	5,402	5,401	5,267	5,268	-135	-133
TRICARE Management Activity	<u>291</u>	<u>321</u>	<u>297</u>	<u>297</u>	<u>297</u>	<u>297</u>	<u>0</u>	<u>0</u>
Total	38,213	37,831	37,061	36,937	35,962	36,103	-1,099	-834
<u>II Civilian Personnel - Foreign National Direct Hire</u>								
Army	404	288	283	283	282	282	-1	-1
Navy	196	170	173	173	170	170	-3	-3
Air Force	127	172	81	81	81	81	0	0
TRICARE Management Activity	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	727	630	537	537	533	533	-4	-4
<u>III Civilian Personnel - Foreign National Indirect Hire</u>								
Army	915	871	1,016	1,016	1,010	1,011	-6	-5
Navy	436	424	459	434	452	427	-7	-7
Air Force	246	246	262	261	255	254	-7	-7
TRICARE Management Activity	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	1,597	1,541	1,737	1,711	1,717	1,692	-20	-19
<u>IV Total Civilian Personnel</u>								
Army	24,103	23,430	22,471	22,471	21,733	21,998	-738	-473
Navy	10,379	10,389	10,822	10,674	10,579	10,430	-243	-244
Air Force	5,764	5,862	5,745	5,743	5,603	5,603	-142	-140
TRICARE Management Activity	<u>291</u>	<u>321</u>	<u>297</u>	<u>297</u>	<u>297</u>	<u>297</u>	<u>0</u>	<u>0</u>
Total /1	40,537	40,002	39,335	39,185	38,212	38,328	-1,123	-857
<u>V. Summary Civilian Personnel</u>								
US Direct Hire	38,213	37,831	37,061	36,937	35,962	36,103	-1,099	-834
Foreign National Direct Hire	727	630	537	537	533	533	-4	-4
Foreign National Indirect Hire	<u>1,597</u>	<u>1,541</u>	<u>1,737</u>	<u>1,711</u>	<u>1,717</u>	<u>1,692</u>	<u>-20</u>	<u>-19</u>
Total Civilians /1	40,537	40,002	39,335	39,185	38,212	38,328	-1,123	-857
1/ Incl reimbursable civilians - memo	483	491	502	518	503	518	1	0

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	FY 1999	FY 2000	FY 2001	FY00-01 Change	
	<u>Actual</u>	<u>Estimate</u>	<u>Estimate</u>	<u>\$</u>	<u>(%)</u>
<u>Special Interest Manpower (End Strength)</u>					
<u>TRICARE Regional Lead Agents:</u>					
Military End Strength	205	214	190	-24	-11.21%
Civilian End Strength	119	128	121	-7	-5.47%

**Defense Health Program
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Medical Workload Data**

	FY 1999 <u>Actual</u>	FY 2000 <u>Estimate</u>	FY 2001 <u>Estimate</u>	FY00-01 <u>Change</u>
<u>Population - Average Eligible Beneficiaries</u>				
Active Duty	1,549,059	1,531,363	1,520,008	-11,356
Active Duty Dependents	2,179,478	2,190,999	2,177,594	-13,405
CHAMPUS Eligible Retirees	1,149,221	1,136,386	1,122,137	-14,249
CHAMPUS Eligible Dependents of Retirees	1,918,912	1,903,952	1,886,434	<u>-17,519</u>
Subtotal CHAMPUS Eligibles	5,247,611	5,231,336	5,186,165	-45,172
Over 65 Eligible Beneficiaries	<u>1,370,607</u>	<u>1,424,422</u>	<u>1,475,069</u>	<u>50,647</u>
Total Average Eligible Beneficiaries	8,167,276	8,187,121	8,181,241	-5,881
<u>Population - Average MHSS Reliants/Users</u>				
Active Duty	1,549,059	1,531,363	1,520,008	-11,356
Active Duty Dependents	2,081,617	2,091,352	2,078,583	-12,769
CHAMPUS Eligible Retirees	703,432	695,259	686,825	-8,434
CHAMPUS Eligible Dependents of Retirees	<u>1,191,527</u>	<u>1,181,680</u>	<u>1,171,215</u>	<u>-10,465</u>
Subtotal CHAMPUS Eligibles	3,976,577	3,968,290	3,936,623	-31,667
Over 65 Eligible Beneficiaries	<u>339,622</u>	<u>351,983</u>	<u>364,869</u>	<u>12,887</u>
Total Average MHSS Reliants/Users	5,865,257	5,851,636	5,821,499	-30,137
<u>Infrastructure</u>				
Hospitals/Medical Centers	93	88	81	-7
Operating beds	4,148	4,034	3,967	-67
Medical Clinics	519	516	514	-2

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	FY 1999 <u>Actual</u>	FY 2000 <u>Estimate</u>	FY 2001 <u>Estimate</u>	FY00-01 <u>Change</u>
<u>Enrollees - Direct Care (Enrollment Based Capitation)</u>				
TRICARE Region 1	314,261	326,322	n/a	n/a
TRICARE Region 2	354,885	368,919	n/a	n/a
TRICARE Region 3	333,854	340,099	n/a	n/a
TRICARE Region 4	167,224	168,524	n/a	n/a
TRICARE Region 5	165,658	170,804	n/a	n/a
TRICARE Region 6	366,150	370,758	n/a	n/a
TRICARE Region 7	163,662	162,193	n/a	n/a
TRICARE Region 8	266,791	272,334	n/a	n/a
TRICARE Region 9	189,329	204,610	n/a	n/a
TRICARE Region 10	60,592	59,334	n/a	n/a
TRICARE Region 11	140,988	144,923	n/a	n/a
Total 1-11	2,523,394	2,588,820	n/a	n/a
TRICARE Region 12	90,176	89,492	n/a	n/a
Alaska	49,295	49,216	n/a	n/a
Overseas	396,699	384,947	n/a	n/a
Total Direct Care	3,059,564	3,112,475	n/a	n/a
<u>Enrollees - (Managed Care Support Contract)</u>				
TRICARE Region 1	10,951	12,881	n/a	n/a
TRICARE Region 2	22,025	24,093	n/a	n/a
TRICARE Region 3	69,459	71,980	n/a	n/a
TRICARE Region 4	53,285	54,778	n/a	n/a
TRICARE Region 5	31,964	36,195	n/a	n/a
TRICARE Region 6	75,504	78,378	n/a	n/a
TRICARE Region 7	14,842	14,908	n/a	n/a
TRICARE Region 8	28,366	29,019	n/a	n/a
TRICARE Region 9	58,811	59,150	n/a	n/a
TRICARE Region 10	36,805	37,094	n/a	n/a
TRICARE Region 11	25,552	26,443	n/a	n/a
Total 1-11	427,564	444,919	n/a	n/a
TRICARE Region 12	3,802	3,781	n/a	n/a
Alaska	0	0	n/a	n/a
Overseas	0	0	n/a	n/a
Total Direct Care	431,366	448,700	n/a	n/a

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	FY 1999 <u>Actual</u>	FY 2000 <u>Estimate</u>	FY 2001 <u>Estimate</u>	FY00-01 <u>Change</u>
<u>Designated Providers</u>				
Enrollees (DoD only)	89,961	86,491	n/a	n/a
<u>Purchased Dental Programs</u>				
Family Member Dental Program				
Enrollees	618,139	598,663	n/a	n/a
Selective Reserve Dental Program				
Enrollees	28,345	30,116	n/a	n/a
	FY 1999 <u>Actual</u>	FY 2000 <u>Estimate</u>	FY 2001 <u>Estimate</u>	FY00-01 <u>Change</u>
<u>Private Sector Workload</u>				
Purchased Health Care				
Inpatient Admissions	184,491	n/a	n/a	n/a
Outpatient Visits	12,241,186	n/a	n/a	n/a

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Direct Care System Workload

Dispositions (from MEPRS)	293,922	282,521	279,529	-2,992
Inpatient Work Units (IWUs)	326,233	321,790	318,921	-2,869
Occupied Bed Days (from MEPRS)	1,017,965	982,918	972,378	-10,540
Average Length of Stays (Bed Days/Disposition)	3.46	3.48	3.48	0
Total Ambulatory Visits (from MEPRS)	32,426,363	31,743,275	31,337,604	-405,671

Dental Workload (Composite Time Values (CTVs))

CONUS	259,422,563	244,982,706	242,538,398	-2,444,308
OCONUS	69,289,597	64,400,461	64,038,759	-361,702
Total CTVs	328,712,160	309,383,167	306,577,157	-2,806,010

CONUS

Active Duty	227,919,089	214,196,712	212,059,833	-2,136,879
Non-Active Duty	31,503,474	30,785,994	30,478,565	-307,429
Total CONUS	259,422,563	244,982,706	242,538,398	-2,444,308

OCONUS

Active Duty	35,118,352	32,220,077	32,060,365	-159,712
Non-Active Duty	34,201,245	32,180,383	31,978,394	-201,989
Total OCONUS	69,319,597	64,400,461	64,038,759	-361,702